

FBI

DAILY REPORT

CONTENTS

China

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PRC INTERNATIONAL AFFAIRS

GENERAL

Wang Bingnan Sends Message on 'Namibia Day'	A 1
Nantong To Promote Greater Foreign Investment	A 1
PRC Delegates Attend International Library Meeting	A 2

UNITED STATES

CHINA DAILY on Future of Sino-U.S. Textile Trade	[28 Aug]	B 1
RENMIN RIBAO Criticizes High U.S. Interest Rates	[21 Aug]	B 2
U.S. Ambassador Hosts Reception for PRC Olympians		B 4
Joint TV Commercial Service With U.S. Firm		B 4
U.S. Overseas Chinese Soccer Team To Make Tour		B 5
USSR Buying More Grain From the United States		B 5

SOVIET UNION

RENMIN RIBAO on Hardening of USSR Foreign Policy	[28 Aug]	C 1
KYODO Reports Students Depart for USSR Study		C 3

NORTHEAST ASIA

Wang Zhen Meets Japan Socialist Paper Delegation	D 1
Youth Delegation Leaves for Japan Goodwill Visit	D 1

SOUTHEAST ASIA & PACIFIC

AFP Reports Deng Xiaoping's Son Visits Hong Kong	E 1
Ningxia Leader Meets Hong Kong Muslims, Economists	E 1
Papua New Guinean Women's Delegation Visits	E 2
Meets Ulanhu	E 2
Meets Kang Keqing	E 2
Thai Supreme Commander Welcomes PRC Puppet Troupe	E 2
Thai Buddhists Send Statues to Qinhuangdao	E 2

SOUTH ASIA

Afghan Mujahidin Urged To Unite Against Soviets	F 1
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EASTERN EUROPE

Li Xiannian Begins Meetings With Ceausescu	H 1
Met by Ceausescu	H 1
Begins Ceausescu Talks	H 1
PRC Foreign Ministry Comments	H 2
Hong Kong, Taiwan Discussed	H 3
Talks Enter Second Round	H 3
More on Second Round	H 4

Ceausescu Comments at Banquet	H 5
Further on Ceausescu Remarks	H 5
More on Banquet Speeches	H 6
Li Speaks at Banquet	H 7
Further on Li's Speech	H 7
Li Discusses China's Progress	H 8
Li Receives Highest Award	H 8
Romanian Relationship Described	H 9
Li Interviewed by Romanian TV	H 10
XINHUA Interviews Hao Jianxiu on Romanian Visit	H 11

MIDDLE EAST & AFRICA

Zhao Ziyang Meets Oman, Cameroon Envoys	I 1
PRC, Cameroon Sign Cultural Agreement	I 1
Kuwaiti Delegation Leaves Beijing for Shanghai	I 1
PRC Leaders Meet With Mauritius Minister	I 2
Chen Muhua Fetes Beedassy	I 2
Meeting With Li Peng	I 2
Ni Zhifu Meets Ugandan Trade Union Group	I 2
Ni Zhifu Talks With Djibouti Trade Union Leader	I 2

PRC NATIONAL AFFAIRS

Rectification in PLA General Logistics Department	K 1
[RENMIN RIBAO 27 Aug]	
Commentator's Article	K 2
[RENMIN RIBAO 27 Aug]	
Agriculture Ministry Readjusts Leading Bodies	K 3
RENMIN RIBAO Editorial on Industrial Reform	K 5
[22 Aug]	
LIAOWANG Praises General Office Investigations	K 6
[No 35, 27 Aug]	
Fang Yi Addresses Resource Utilization Meeting	K 7
Yuan Baohua Addresses Food Industry Meeting	K 9
Wang Lei on Expansion	K 10
Improvements Noted in Provincial Grain Harvests	K 11
Record Grain, Cotton Harvests Expected	K 11
[CHINA DAILY 26 Aug]	
Further Report on Cotton	K 12
Yao Yilin Discusses Petrochemical Reform	K 13
Bo Yibo on Dalian City Reform, Open Policy	K 14
Qiao Shi on Building Enterprise Leading Bodies	K 14
Further Details	K 15
New Communications Minister on Future Plans	K 16
Further on Economic Legislation Conference	K 17
Gu Ming on Regulations	K 17
On Foreign Investors	K 18
Second Patent Law Agency Opened in Shanghai	K 19
Priority to Foreigners	K 19
Notice on Repayment of Foreign Banks' Debts	K 19
HONGQI Expounds on Harm of 'Idle Talk'	K 20
[No 15, 1 Aug]	
Leaders Write Inscription for Technology Center	K 22
First Meteorological Satellite Launch Expected	K 22
PLA Commends Advanced CYL Organizations	K 23
Symposium on Shelter-Belts Held in Xinjiang	K 23
Delegates to Population Forum Return Home	K 23

PRC REGIONAL AFFAIRS

EAST REGION

Annui's Huang Huang on Specialized Households	O 1
Fujian's Xiang Nan Addresses Militia Meeting	O 2
[FUJIAN RIBAO 10 Aug]	
Xiang Nan, Fujian PLA Inspect Army-People Work	O 3
Nanjing PLA Airmen Negate Cultural Revolution [XINHUA RIBAO 12 Aug]	O 3
Jiangsu Plans Winter Military Conscription	O 4
Eliminating Great Democracy Urged in Shandong	O 5
Shandong Decision on Cadre System Reform	O 6

CENTRAL-SOUTH REGION

Guangdong Approves Peasants' Settling in Towns	P 1
Old Cadres Urged To Teach, Support Successors	P 1
Henan Courts Sentence Counterrevolutionary Clique	P 3
Hunan Peasants Punished for Critical Poster	P 5
Big-Character Posters Decried	P 5
Hunan CPC Actively Recruits Intellectuals	P 6

SOUTHWEST REGION

Guizhou Units Promote Party Rectification	Q 1
GUIZHOU RIBAO on Negating Cultural Revolution	Q 1
Chongqing Substitutes Taxes for Profit Deliveries	Q 2

NORTH REGION

Beijing CPC Holds Organizational Work Meeting	R 1
Hebei CPC Helps Intellectuals Join Party	R 1
[GUANGMING RIBAO 17 Aug]	
Hebei's Xing Chongzhi on Cultural Revolution	R 3
[HEBEI RIBAO 10 Aug]	
Zhou Hui Attends Nei Monggol Militia Events	R 5
Shanxi's Li Ligong Sees Beijing PLA Troupe Perform	R 6
[SHANXI RIBAO 11 Aug]	

NORTHEAST REGION

Reports Describe Flooding in Heilongjiang	S 1
Heilong Jiang's Peak Falls	S 1
Songhua Jiang Level Rises	S 1
Heilongjiang People's Congress Meeting Ends	S 1

TAIWAN

Panamanian Vice President-Elect Arrives 27 Aug	V 1
Meets With Taiwan Ministers	V 1
Relations With ASEAN Countries Said To Improve	V 1
Taiwanese Central, South American Envoys To Meet	V 2
Taipei Scientists Invent Infrared Device	V 2
New Examination Yuan Secretary General Appointed	V 2

I. 28 Aug 84

4

CHINA

HONG KONG MEDIA ON CHINA

Sino-British Working Group on Hong Kong Expands
[SOUTH CHINA MORNING POST 28 Aug]

W 1

Spokesman Acknowledges Hong Kong Capital Outflow
[SOUTH CHINA MORNING POST 23 Aug]

W 2

WANG BINGNAN SENDS MESSAGE ON 'NAMIBIA DAY'

OW241648 Beijing XINHUA in English 1600 GMT 24 Aug 84

[Text] Beijing, August 24 (XINHUA) -- President Wang Bingnan of the Chinese People's Association for Friendship with Foreign Countries today sent a message to Paul J.F. Lusaka, chairman of the United Nations Council for Namibia, to mark the "Namibia Day."

The Namibia Day, which falls on August 26, was declared by the UN Council for Namibia in 1973 to support the armed resistance of the Namibian people against the occupation of their country by South Africa.

President Wang Bingnan noted in the message that the UN Council has done valuable jobs and scored good achievements in mobilizing the international community to support the just cause of the Namibian people. The independence of Namibia still remains unrealized since the authorities in South Africa, backed by the United States, insist on linking it with the withdrawal of Cuban troops from Angola and refuse to implement UN Resolution 435, the message said.

"The Chinese people will, as always, buttress all the endeavors made by the United Nations for the independence of Namibia, absolutely support the just struggle of the Namibian people and strongly condemn the illegal occupation of Namibia by the South African regime and its intransigence at present," the message said.

"We are convinced that the Namibian people, under the leadership of the Southwest Africa People's Organization (SWAPO), will surely win their independence through various forms of struggle including armed struggle," the message said.

NANTONG TO PROMOTE GREATER FOREIGN INVESTMENT

OW251316 Beijing XINHUA in English 1157 GMT 25 Aug 84

[Text] Shanghai, August 25 (XINHUA) -- Nantong, one of China's 14 port cities designated to open wider to foreign investors, plans to set up an economic and technical development district to offer more preferential treatment, Mayor Zhang Youcai of Nantong announced here Friday at a meeting with foreign bankers and businessmen. The plan will be submitted to the State Council for approval, he added.

He welcomed foreign firms to start in the district technology-intensive, energy-saving and pollution-free enterprises in the fields of microcomputers, communications facilities, integrated circuits, electronic elements, precision machinery and textiles. Enterprises in the district may be undertaken in the form of joint venture, co-production or sole foreign business, the mayor said.

Representatives of 67 foreign companies were present at the meeting, called to brief them on the economic situation of Nantong.

Preferential treatment will include domestic sales of a portion of the output for factories employing advanced technology and equipment provided by foreign partners, he added.

Nantong is an integral part of the Shanghai Economic Zone. The city, with six counties under it, has a population of 7.4 million. The Nantong Harbor on the Yangtze River has nine berths, of which, three are for 10,000-ton vessels.

Since 1976, the mayor noted, the city has launched 101 projects involving foreign investments.

PRC DELEGATES ATTEND INTERNATIONAL LIBRARY MEETING

OW251414 Beijing XINHUA in English 0248 GMT 25 Aug 84

[Text] Nairobi, August 24 (XINHUA) -- Library and information services need great improvements to play their full role in national development.

This was the main theme of the 50th General Conference of the International Federation of Library Associations, which ended here this afternoon. About 1,500 delegates from all continents, including six from China, attended the week-long conference. This was the first general conference of the federation ever held in Africa.

Addressing the opening ceremony on August 20, Kenyan Vice-President Mwai Kibaki called for solutions to urgent problems in developing countries such as the high cost of producing books, lack of microfilms, computers and other modern information storage technology and the lack of rural libraries. He also stressed that the books selected by libraries in Africa should be "suitable for absorption into our own African traditions and way of life."

Federation President Else Granheim expressed concern at the low level of development of library and information services in the Third World countries as compared with developed countries. She noted in particular the lack of books on indigenous culture and in vernacular languages. She also advocated the development of public libraries into community information centres in rural areas and the setting up of more libraries for children and post-literacy adults. Many delegates stressed the need for international cooperation to promote the development of library and information services in developing countries.

Delegates from China presented two papers at the conference advocating the exchange of science and technology information with developing countries.

The federation founded in 1927 now has 1,132 member organizations in some 120 countries, with its headquarters in The Hague in the Netherlands. China was one of the 15 founding members, and its seat was formally restored to the People's Republic of China in 1981. The next general conference will be in Chicago next August.

CHINA DAILY ON FUTURE OF SINO-U.S. TEXTILE TRADE

HK280318 Beijing CHINA DAILY in English 28 Aug p 4

["Opinion" column by CHINA DAILY commentator]

[Text] Sino-U.S. trade is likely to hit a snag again, despite the "infinite potential" that exists for developing trade and economic relations between the two, as was pointed out by Premier Zhao Ziyang earlier this year. The latest hurdle to bilateral trade has arisen because of new "country of origin rules" proposed by the U.S. Customs Service on textile imports.

Under current rules, a garment partially completed in one country but shipped to another for finishing is counted for quota purposes as originating in the second country if "substantial transformation" took place. Under the new rules, even if the material was cut and sewn into a garment in a second country, it would count against the quota of the first country if the cutting lines were drawn in that country.

These proposed rules constitute a clear violation of the Sino-U.S. bilateral agreement on textile trade and the Multi-Fibre Arrangement, according to Chinese Ambassador Zhang Wenjin, who sent a letter of protest to the U.S. Government last week. He wrote: "These proposals would, if made effective, completely change the rules and the basis for existing quotas relied upon by the People's Republic of China at the time it entered into its bilateral agreement on textile products with the United States."

It may be recalled that this has not been the first instance of arbitrary protectionist barriers imposed by the United States Government against Chinese textiles, which form no insignificant part of Chinese exports to that country. In January 1983, in the course of negotiations for a new agreement, the U.S. Government unilaterally imposed quota restrictions on China's textile exports. Problems do sometimes arise in bilateral trade between nations. That is only natural, for national interests do not always coincide. But when problems occur the parties concerned should seek a mutually acceptable solution through friendly negotiations and not resort to unilateral action.

Arguments to defend protectionist measures are untenable because there are always two sides to each question. As Ambassador Zhang mentioned in his letter of protest, the proposed new rules would affect hundreds of factories and around 60,000 jobs in China's southern provinces alone, seriously harming China's industry, employment, trade and general economic development.

In their trade negotiations with Japan, U.S. officials have said that the United States can supply beef to Japan at attractive prices and that American beef and citrus fruits can enrich the Japanese diet. Why then do they choose to ignore the fact that China does not supply textiles to the United States at attractive prices and that Chinese textiles do enrich the quality and variety of American apparel -- a fact well known to American traders and consumers?

Sino-U.S. trade has developed considerably, especially since the normalization of relations between the two countries in 1979. Thus, between 1979 and 1982, the volume of trade grew at an average annual rate of 45 percent. And the United States has become China's third major trading partner. On the other hand, it is also true that Sino-U.S. trade has not reached the level that it should and that there is still great potential for developing economic and technical co-operation. There are undeniably many obstacles and difficulties in bilateral economic cooperation and trade, and fundamentally they arise from the fact that the United States has so far delayed changing its policy of discriminatory restrictions on trade with China.

William Brock, the U.S. trade representative, was reported as saying that the Reagan administration was considering proposals put forth by U.S. retailers and foreign governments to alter or delay the new restrictions on textile imports but no final decision has been made. It is hoped that the U.S. Administration will be mindful of the broad spectrum of the economic and trade relations between China and the U.S. and handle the textile issue in a manner that will not jeopardize these relations in general.

RENMIN RIBAO CRITICIZES HIGH U.S. INTEREST RATES

HK250318 Beijing RENMIN RIBAO in Chinese 21 Aug 84 p 7

["Special commentary" by Zhang Zhenya: "The High U.S. Interest Rates and Their Effect"]

[Text] High U.S. interest rates have come under increasing attack from world opinion. A cause of the steadily high interest rates is the excessively large U.S. federal budget deficit, which has made it necessary for the government to issue many government bonds; but the U.S. Federal Reserve Board, fearing that the excessively large deficit is liable to cause inflation, has kept the money supply under strict control, thus causing a shortage of funds in the market and a rise in interest rates. The Reagan administration has stimulated economic growth by means of budget deficit, while keeping the money supply under strict control to prevent inflation. This dual policy of "stepping on the accelerator with one foot and stepping on the brake with another" is central to the problem of high interest rates.

High interest rates always hinder enterprises from increasing their investment in fixed assets. They also make it difficult for those enterprises in the United States that rely on the installment plan to sell their products; for example, housing contractors, auto dealers, and those selling durable goods. High interest rates also prevent people from purchasing stocks, causing stock prices to drop thus increasing the difficulties of large enterprises in raising funds.

A strong U.S. dollar caused by the high interest rates is also unfavorable to U.S. foreign trade. It drastically increases imports into the United States because of their cheap prices, but stunts the export of goods from the United States because of their higher prices. Serious foreign trade deficits also cause the U.S. international balance of payments to deteriorate. All these are negative effects brought to the United States by high interest rates.

The reason for the continued increase and expansion of enterprise investment and market consumption in the United States at present is chiefly due to the large tax reduction by President Reagan and the strong recovery that has emerged following a serious economic crisis. Thus the economy will not be hampered by high interest rates for a while. However, following the gradual weakening of the U.S. economic upswing, the high interest rates will again hamper economic development. That is why the financial magnates on New York's Wall Street have been worrying that a fresh rise in interest rates will result in a new economic crisis at an early date.

Naturally, high interest rates are not without benefit to the United States. They have caused a large amount of foreign capital to flow into the United States and increased the value of the U.S. dollar on the international market. The tumble of the U.S. dollar in the 1970's has changed. The supreme financial status of the United States has been consolidated, and the status of New York as an international capital and financial center has also been more conspicuous lately. All this is clearly attributable to high interest rates.

However, attracting a large amount of foreign capital by means of high interest rates also brings risks because it signifies that the U.S. economy is becoming increasingly dependent on floating foreign capital. As soon as the floating capital flows out, a serious problem will emerge. Moreover, according to an estimate from U.S. economic circles, if the United States continues to absorb foreign capital to make up for its huge foreign trade deficits as it does now, it will not take many years for the biggest creditor nation in the West to be reduced to a big debtor nation.

High interest rates have never enjoyed popular support in the United States. For this reason, the rise of U.S. interest rates has now been called "Reagan's time bomb." The call for a reduction in government budget deficits and in high interest rates has become the most powerful voice in this presidential election year.

Viewed on an international scale, the high U.S. interest rates and the rise of the U.S. dollar are also seriously obstructing the economic recovery of the West European countries and causing them all sorts of difficulties.

Since the crisis of 1980-1982, the economic recovery of the West European countries has been slow and the unemployment situation has continued to deteriorate. Although a high U.S. dollar is advantageous to increased West European exports to the United States, the United States has also adopted a more rigorous protectionist policy to stop the import of West European goods. On the other hand, the rise of the U.S. dollar has made the prices of world oil and raw materials, which are calculated in U.S. dollars and then converted into the currencies of the West European countries, quite expensive. This is also highly disadvantageous to the efforts of West European countries to bring their economies to life and to check rising prices in their countries.

The high U.S. interest rates have absorbed a large amount of capital urgently needed by the West European countries to bring their economies to life. This has added fuel to the fire. For this reason the West European countries have had to increase their interest rates to protect themselves. But this has also obstructed their economic upswing, making it even more difficult for them to solve serious unemployment problems.

The rise in the U.S. dollar's exchange rates has also violently pounded the West European financial market, causing the exchange rates of the French franc, the Italian lira, the pound, and the Deutsche mark to fluctuate, continuously threatening the still unstable European monetary system.

For this reason it is not at all surprising that the U.S. high interest rate policy was strongly denounced at the two summit meetings of the seven Western countries last year and this year.

Third World countries have suffered most from the high interest and high exchange rates of the U.S. dollar. At present, the outstanding foreign debts of the Third World countries amount to \$810 billion. Of this, the Latin American countries owe a total of \$350 billion, half to major U.S. banks. The interest on these debts has followed the rise of U.S. interest rates. It is estimated that for every percentage point rise in U.S. interest rates, Latin American countries must pay an extra \$2.5 billion in interest on their foreign debts. The rise in U.S. dollar exchange rates also makes the Latin American pay a larger amount of their currencies for their debts. The high interest rates and the high exchange rates of the U.S. dollar have also caused export prices of the Third World countries primary products to tumble and have thus greatly aggravated Third World economic difficulties.

The prices of world raw materials and oil usually drop heavily during an economic recession in the West but shoot up during the economic upswing.

However, in the current economic recovery their prices have fallen, when calculated in U.S. dollars. Since last May, the prices of 11 important primary products, including coffee, rubber, and wheat, have dropped by more than 10 percent. Increased substitutes for raw materials have caused a slump in the prices and sales of raw materials at the moment, but a strong U.S. dollar is also an important factor because it has made the prices of oil and raw materials, calculated in U.S. dollars, expensive when sold in non-U.S. dollar countries. For example, at a time when the world oil price has fallen, France and Italy now spend more money on oil imports than they did 2 years ago.

High global interest rates have also prevented people from borrowing money to purchase raw materials. The stock of lead, nickel, and silver in the world dropped by 40 percent last year. In order to pay their debts, the Third World countries have done their utmost to increase production and to expand exports. This has made the surplus of raw materials even more serious and has made raw material prices stumble.

The economic difficulties of many Third World countries have become aggravated. They cannot pay their debts and have been forced to reduce imports. This has threatened the major U.S. banks and the export industry. Not long ago the leaders of more than 20 Western countries gathered hurriedly in New York to discuss the question of whether it is necessary to "place a ceiling" on the interest on loans granted to Third World countries to give them more breathing room. This shows that the disaster of the Third World countries has endangered the interests of the industrialized countries.

The high U.S. interest rates have become a central issue in current international economic and political arguments. The pressure calling for a solution to this problem is growing. This situation clearly shows the irrationality of the old international economic order in allowing the economic policy of one country to harm the whole world.

U.S. AMBASSADOR HOSTS RECEPTION FOR PRC OLYMPIANS

OW240814 Beijing XINHUA in English 0804 GMT 24 Aug 84

[Text] Beijing, August 24 (XINHUA) -- Arthur W. Hummel, U.S. ambassador to China, gave a reception here in honor of the Chinese Olympic delegation at noon today.

Among those present at the ambassador's residence were Li Menghua, minister in charge of the Chinese physical culture and sports commission; Zhong Shitong, president of the Chinese Olympic Committee (COC), Lu Jindong and Chen Xian, COC vice-presidents, plus specially honored guests -- China's gold, silver and bronze medalists from the 1984 Los Angeles Olympic Games, which ended 12 days ago.

JOINT TV COMMERCIAL SERVICE WITH U.S. FIRM

OW241238 Beijing XINHUA in English 1230 GMT 24 Aug 84

[Text] New York, August 23 (XINHUA) -- The first-ever Sino-American joint venture in television service in China will be formed to produce and broadcast TV commercial advertisements. This was announced at a press conference here this afternoon by Wang Feng, director of China Central Television, and Clifford Jones, Jr., president of the new joint venture.

The founding of China-USA Communications and Television Commercial Company was agreed upon by China Television Service, the business arm of China's Ministry of Radio and Television, and China Communications Company, an American television commercial and video production corporation.

U.S. OVERSEAS CHINESE SOCCER TEAM TO MAKE TOUR

OW23116 Beijing XINHUA in English 1034 GMT 23 Aug 84

[Text] New York, August 22 (XINHUA) -- An Overseas Chinese soccer team sponsored by the New York Overseas Chinese Soccer Association left here today for a two-week playing tour of China. The 17-member team will play four matches: two in Guangzhou and one each in Shanghai and Beijing. The players, all in their 20s, are students or graduates of American universities. Most of them were born in the United States and none have been to China.

Led by Mei Ziqiang, honorary president of the Overseas Chinese federation, the team will land in Hong Kong. Its first match on the tour will be in Guangzhou, on August 26, against an amateur sports school team. On August 29 the Overseas Chinese team will play in Shanghai, against the workers team of the Shanghai machine tool factory. The date and opponent have not yet been set for the match in Beijing, but it will probably be held on September 1 or 2. The team returns to Guangzhou for the final match of the tour on September 5, against the Guangzhou youth soccer team, which should give the toughest competition of the tour.

USSR BUYING MORE GRAIN FROM THE UNITED STATES

OW251023 Beijing XINHUA in English 0740 GMT 25 Aug 84

[Text] Washington, August 24 (XINHUA) -- The U.S. Agriculture Department announced today that the Soviet Union had bought 350,000 metric tons more wheat from the United States. This is the fourth grain sale to the Soviet Union made public this week. Three previous announcements were for sales of 600,000 tons of wheat and 500,000 tons of corn. The Soviets have bought more than 11.8 million tons of corn and wheat since June 29. Most of the grain has been corn for delivery in 1984-85.

The U.S.-Soviet grain agreement specifies that the Soviet Union must buy at least 8 million tons of U.S. grain a year and 500,000 tons of U.S. soybeans, or 9 million tons of grain. An additional three million tons of grain can be bought without further talks. In the first year of the U.S.-Soviet grain agreement, which ends September 30, the Soviets have bought nearly 14 million tons of U.S. grain, including nearly 7.4 million tons of wheat and 6.6 million tons of corn, as well as 416,200 tons of soybeans. Sales for the second year, which begins October 1, now total 7.9 million tons, including nearly 6.6 million tons of corn and 1.3 million tons of wheat.

The heavy Soviet grain buying has led American analysts to estimate that the Soviets, suffering from a disappointing grain crop, will import a near-record 43 million tons of grain in 1984-5. Private analysts say the United States will get about 40 percent of that business.

RENMIN RIBAO ON HARDENING OF USSR FOREIGN POLICY

HK281035 Beijing RENMIN RIBAO in Chinese 28 Aug 84 p 7

[Article by Yu Sui: "Soviet Foreign Policy for the Past Half Year"]

[Text] More than 6 months have passed since the change in the top Soviet leaders. The foreign policy of the new Soviet leadership has attracted worldwide attention. International opinion generally holds that over the past 6 months, Moscow's practice has become more inflexible. That is, compared with the former leadership, the present Soviet leadership has seldom shown a flexible attitude, and the foreign relations of the Soviet Union seem to be "in a stagnant situation." At the same time, the new leadership appears more "heavy handed" and its attitude toward some major international affairs is more arbitrary. Moscow seems to be "hardening in its foreign policy." This comment is not groundless.

In Afghanistan, the Soviet Union's act of aggression has escalated. Since late April this year, the Soviet Army has launched several ground and air offensives against the Afghan guerrilla forces in the Panjsher Valley and other guerrilla bases. The Soviets have tried to eliminate the effective strength of the guerrillas through a blitz. However, they have encountered bitter resistance and have suffered heavy losses. This has further demonstrated the cruelty and weakness of the hegemonists. Facts have shown the Soviet Union has no intention of respecting UN resolutions on the withdrawal of forces from Afghanistan; instead, it is stubbornly trying to carry on its war of aggression.

In the Indochina region, the new Soviet leadership has stepped up its support for the Vietnamese aggressors and has strengthened its bases in Cam Ranh Bay for strategic expansion purposes. In April this year, when the Vietnamese aggressor troops were conducting their dry season offensive along the Thai-Kampuchean border and stepping up their armed provocations against China in the border areas, the Soviet Union held joint naval and air force maneuvers with the Vietnamese forces in the Haiphong area for the first time. This move widely diverged from Moscow's claim that it was going to "ease" the Southeast Asian situation and improve its relations with China.

The Middle East is a hot spot over which the two superpowers are intensely contending. For a certain period the Soviet Union was in a passive position in this region. However, the new Soviet leadership did not resign itself to a "passive position of an onlooker." It has actively taken advantage of the setbacks in U.S. policy in the Middle East and has gradually restored its influence in this region.

The more frigid U.S.-Soviet relations are, the more intense the contention between the two superpowers becomes. The prominent expression of the U.S.-Soviet contention is the new round of the arms race centering on the deployment of intermediate-range missiles in Europe, which has intensified worldwide and European tensions. Proceeding from their respective needs, the Soviet Union and the United States have put forward some proposals on disarmament and negotiations. But the Soviets describe this as "launching a peace offensive." Both sides have used this only as a means of struggle in order to outdo the opponent, or have tried to kick the ball to the other side. Under the former Soviet leadership, there was no lack of condemnation of the United States from the Soviet propaganda machine; now the verbal battles have become even more intensive.

Rigid and frigid U.S.-Soviet relations have also upset the West European allies of the United States.

In the past few months government leaders or foreign ministers of some West European countries have visited the Soviet Union one after another, trying to seek ways to ease East-West relations and to prompt the Soviet Union and the United States to resume their nuclear talks. Their impression is that the Soviet leader's attitude is "stiffer" than that of his predecessor and that he "may have planned to freeze East-West relations on a long-term basis." On the other hand, the Soviet press and news agency have stepped up attacks on Japan, West Germany, and other Western countries, blaming them for carrying out militarism and revanche. Recently, the Soviet Union's attacks on West Germany have developed to an unprecedented degree.

Concerning China, when the Soviet leaders took office, they said how an improvement in bilateral relations would be "favorable" and "useful," but they only wanted to ease the tension a little to improve economic and trade relations. They also have used the excuse of "refraining from harming the interests of a third country" in refusing to remove the three obstacles that have hindered a radical improvement in Sino-Soviet relations. People have also noticed the Soviet Union has been continuously intensifying its anti-Chinese propaganda. Since last March the monthly volume of anti-Chinese materials published by Soviet central press and TASS has doubled compared with last year. These materials not only attack China's foreign policies of maintaining independence and keeping the initiative in its own hands, but also have attacked our country's domestic policies of socialist construction. Soviet supreme leader Chernenko personally attacked China by name on 11 and 24 June in order to defend Vietnam's aggressive actions.

During the past 6 months, the Soviet Union has publicly found fault with and denounced certain members of what it intimately calls its "big family." If these countries did something in their domestic construction or in their foreign relations to maintain their independence and keep the initiative in their own hands which the Soviet leaders found not to their liking, these countries would be denounced by Soviet leaders for their transgression.

This trend in the development in Soviet foreign policy does not show that it is powerful and strong. On the contrary, it gives people the impression that the Soviet Union has been shamed into anger and is flaunting its superiority in the face of the unfavorable international situation. World opinion universally holds that the rigid tendency of Soviet foreign policy has been a "typical defensive reaction." The Soviet Union has failed to stop the deployment of new U.S. missiles in Western Europe, and its rigid attitude shows "it is depressed and angry in the face of this failure." The Soviet leaders think it is an "illusion" to try to improve Soviet-American relations while Reagan is in power. Therefore, they want to "teach Reagan a lesson," hope to interfere in the U.S. elections and have another president elected and then decide what to do in light of the situation. Moreover, the Soviet Union regards with animosity all unfavorable factors in its contention with the United States. Therefore it peremptorily vents its anger on China, other Third World countries and even some East European countries who are not to blame. In addition, some newspapers have pointed out that the Soviet leaders who "lack vitality" are faced with serious problems and difficult choices. They try to appear "full of self-confidence" in order to "cover up their weakness and their attempt to buy time." Whether these views are correct or not should be proven by the next step in the Soviet leaders' actions.

I. 28 Aug 84

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PRC INTERNATIONAL AFFAIRS
SOVIET UNION

KYODO REPORTS STUDENTS DEPART FOR USSR STUDY

OW271139 Tokyo KYODO in English 1101 GMT 27 Aug 84

[Text] Beijing, Aug. 27 KYODO -- A first group of 52 Chinese students and scholars left Sunday for the Soviet Union to study at universities in Moscow, Leningrad, Kiev and two other Soviet cities for one year, Eastern diplomatic sources said Monday.

They were part of 70 Chinese to be sent by the Chinese Government to the Soviet Union this year. The second group will leave September 2.

As many Soviet students and scholars will come to China this year to study in Beijing, Shanghai, Nanjing and other cities. Their arrival in Beijing is scheduled for early next month.

The sources said many of the 52 Chinese who left Sunday were university assistant professors and lecturers who used to study at Soviet universities before relations between the two countries deteriorated in the early 1960s.

Student exchange programs between the two countries were resumed last year when 10 Chinese were sent to the Soviet Union.

The sources said China and Poland have agreed to resume similar programs this year which were suspended about 20 years ago. Two Polish students will arrive next month, they added.

WANG ZHEN MEETS JAPAN SOCIALIST PAPER DELEGATION

OW271349 Beijing XINHUA in English 1319 GMT 27 Aug 84

[Text] Beijing, August 27 (XINHUA) -- Wang Zhen, honorary president of the China-Japan Friendship Association, met here this afternoon a delegation from the SHAKAI SHIMPO, an organ of the Socialist Party of Japan. Wang Zhen, who is also a member of the Political Bureau of the Central Committee of the Chinese Communist Party, answered the visitors' questions about China's economic reform. Present at the meeting were Director Qin Chuan and editor-in-chief Li Zhuang of the PEOPLE'S DAILY. Wang held a dinner for the visitors after the meeting.

The delegation, led by Tosio Otsuka, member of the Central Executive Committee of the Japanese Socialist Party and director of the party organ bureau, had visited several cities and two special economic zones in southern China. It will leave for home in a few days.

YOUTH DELEGATION LEAVES FOR JAPAN GOODWILL VISIT

OW270923 Beijing XINHUA in English 0845 GMT 27 Aug 84

[Text] Beijing, August 27 (XINHUA) -- A 285-member goodwill youth delegation from Beijing Municipality, led by Vice-Mayor Sun Fuling, left here today for Japan.

It is the first Chinese delegation to include so many youth to tour Japan, and also a return visit for that of a Japanese youth study group from Tokyo which was here in late July and early August.

The delegation, comprising young people of all professions in the Chinese capital, including model workers, teachers, engineers, writers, artists, peasants, service personnel, athletes, drivers and students, will visit factories, schools, residential quarters and recreation centers in Tokyo, Osaka, Kobe and Kyoto.

Sun described the delegation's tour as "significant", because it is in response to the call of Chinese Communist Party General Secretary Hu Yaobang for the people of the two countries to live in friendship from generation to generation, made during his trip to Japan last year.

Sun noted that 3,000 Japanese young people would come in four groups in late September to attend China's National Day celebration as Hu's guests.

Since the restoration of Sino-Japanese good neighborly relations in 1972, the relations between the two countries have expanded and the contact between their young people increased, Sun said. Upon its departure, the delegation was accorded a send-off ceremony given by the Beijing Municipal People's Government.

AFP REPORTS DENG XIAOPING'S SON VISITS HONG KONG

OW2800748 Hong Kong AFP in English 0650 GMT 28 Aug 84

[Text] Hong Kong, Aug 28 (AFP) -- The crippled son of China's elder statesman Deng Xiaoping flew in here today for a 19-day visit mainly aimed at raising money for the handicapped on the mainland. Security was tight with plainclothes Special Branch agents and armed uniformed policemen keeping a close watch as a beaming Deng Pufang, in a wheelchair, spoke briefly to reporters before being whisked away to a luxury hotel.

The junior Deng, 40, has been paralyzed from the waist down since 1967 when Maoist Red Guards forced him out of a fourth-floor window at Beijing University where he was studying physics during the Cultural Revolution.

Speaking in Mandarin, Deng Pufang, who is leading an eight-member delegation, told reporters that he was happy to be here and was extending greetings on behalf of China's estimated 20 million handicapped people to Hong Kong "compatriots" for their contribution to the territory's prosperity.

He expressed hope that his visit, at the invitation of Harry Fang, a member of the local Legislative Council and of the Beijing-owned China Resources Co, would lead to a better understanding of developments in China. He did not elaborate.

During his stay, the junior Deng is to open an exhibition of 150 paintings by Chinese artists to raise money for the China Welfare Fund for the Handicapped, of which he is deputy director.

He is due to be received by Hong Kong Governor Sir Edward Youde for tea on Thursday and to hold a press conference on Friday. He leaves here for Macao on September 15 on his way back home.

NINGXIA LEADER MEETS HONG KONG MUSLIMS, ECONOMISTS

OW252000 Beijing XINHUA Domestic Service in Chinese 1704 GMT 24 Aug 84

[Text] Hong Kong, 24 Aug (XINHUA) -- A Ningxia Hui Autonomous Regional Government economic and trade study group, led by Chairman Hazhi Housaiyin Hei Boli [0761 5347 0186 6357 0936 7815 0130 3810] of the Ningxia Hui Autonomous Region, wound up a 13-day visit to Hong Kong and Macao and left Hong Kong for China's interior today.

During his stay in Hong Kong, Hei Boli met with international Islamic scholars and heads of Islamic communities in Hong Kong and chatted cheerfully with them about Islamic fraternity. Accompanied by Tuo Weishan, chairman of the Islamic Boai Society in Hong Kong, he visited the Tsimshatsui Mosque and was told about how the mosque was rebuilt. He donated HK\$10,000 to the construction committee of the mosque and also presented a tapestry to the mosque. Hei Boli told fellow Muslims there of the achievements made by the Ningxia Hui Autonomous Region in production and construction and the happy life and religious freedom enjoyed by the people in Ningxia. On behalf of the Ningxia Hui Autonomous Regional Government, he invited Hong Kong and foreign Islamic brothers to visit Ningxia.

The Ningxia Hui Autonomous Regional Government economic and trade study group made wide contacts with Hong Kong and Macao economic circles. At a meeting with Hong Kong economic personages and journalists, Hei Boli reported on Ningxia's plan to undertake 67 construction projects with foreign investment and imported technology.

PAPUA NEW GUINEAN WOMEN'S DELEGATION VISITS

Meets Ulanhu

OW270841 Beijing XINHUA in English 0756 GMT 27 Aug 84

[Text] Beijing, August 27 (XINHUA) -- Chinese Vice-President Ulanhu met here this morning with a women's delegation from Papua New Guinea led by Winifred Dibela, wife of Governor General of Papua New Guinea Sir Kingsford Dibela. Ulanhu told the delegation that the exchange of visits by women of the two countries would help them learn from each other, promote their mutual understanding and strengthen the friendly ties between the two countries.

He briefed the guests on the important role of the Chinese women in the country's construction. He asked Winifred to convey best regards from President Li Xiannian and himself to Governor General Dibela. Winifred also asked the host to convey greetings from the governor general and the government and people of Papua New Guinea to the Chinese leaders, government and people.

Meets Kang Keqing

OW251654 Beijing XINHUA in English 1436 GMT 25 Aug 84

[Text] Beijing, August 25 (XINHUA) -- Kang Keqing, vice-chairman of the National Committee of the Chinese People's Political Consultative Conference, met a Papua New Guinean women's delegation led by Winifred Dibela, wife of Governor General of Papua New Guinea Sir Kingsford Dibela, here this evening.

Kang, also president of the All-China Women's Federation, briefed the guests on the roles that Chinese women have played in their country's socialist construction. Kang gave a banquet for the delegation after the meeting.

THAI SUPREME COMMANDER WELCOMES PRC PUPPET TROUPE

OW260924 Beijing XINHUA in English 0858 GMT 26 Aug 84

[Text] Bangkok, August 25 (XINHUA) -- Chinese Shanxi puppet show troupe gave its first performance in Thailand here today to the warm welcome of local people. General Athit Kamlang-ek, supreme commander of the Thai Armed Forces, watched the performance. He said the visit of the troupe brought with it the friendly feelings of the Chinese people to the Thai people, and will promote the friendly cultural exchanges between the two countries. He wished the troupe's performance tour in Thailand a success.

The troupe arrived here on August 24 at the invitation of the Thai Olympic Committee. It will give benefit performances in Bangkok and some other places for one month.

THAI BUDDHISTS SEND STATUES TO QINHUANGDAO

OW241154 Beijing XINHUA in English 1148 GMT 24 Aug 84

[Text] Beijing, August 24 (XINHUA) -- Five bronze Buddha statues, a gift from Thailand Buddhist circles, have been shipped to Qinhuangdao Harbor in north China recently, according to the China Buddhist Association here today. Three of them measure 3.5 meters tall and 2.5 meters wide each and the rest two are smaller. They will be enshrined in temples separately in Kunming, Guangzhou and Nanjing in October.

AFGHAN MUJAHIDIN URGED TO UNITE AGAINST SOVIETS

OW271918 Beijing XINHUA in English 1631 GMT 27 Aug 84

[Text] Peshawar, August 27 (XINHUA) -- All Afghan mujahidin were called upon today to build up mutual trust and confidence so as to bring about full solidarity and cooperation in a united struggle against their common enemy -- the Soviet invaders.

This order was contained in a joint statement issued by Gulbuddin Hikmatyar, vice-president, and Burhanuddin Rabbani, chairman of the Political Committee of the Islamic Alliance of Afghan Mujahidin (a seven-party resistance organization) at a press conference here.

The two leaders urged mujahidin throughout Afghanistan, those under their leadership in particular, "to closely cooperate, unite their forces and mobilize them together against the common enemy." They ordered that the mujahidin of their own organizations should invite all Muslim mujahidin fighting Russian invaders to an all-out unity, should sincerely support them and should concentrate all their forces against the common enemy, i.e. the Russians and their lackeys.

Pointing to Soviet and Karmal troops bent on crushing the major mujahidin centers and strongholds like the Panjsher Valley, they said: "The mujahidin should pound the enemy positions with tooth-breaking blows and never allow the enemy to find a chance to crush a single stronghold." The resistance leaders also advised guerilla commanders to be vigilant against enemy agents, KGB men and spies who may infiltrate mujahidin ranks and to timely eradicate elements trying to sow discord among the resistance forces.

Asked by XINHUA about the current situation in the Afghan battlefields, Rabbani said that "conditions are good" for the resistance. The mujahidin, he said, have had successes during heavy fighting with Soviet troops in various parts of the country, such as Mazar-e Sharif in Balkh Province, Qonduz in the north, Kabul and Baghlan in the central area and Herat in the West.

Hekmatyar noted that "the Soviet troops are suffering heavier casualties than in the past." Commenting on the indirect talks on the Afghan problems now going on in Geneva, both agreed that the talks were "not hopeful" and that "nothing will come out of them."

LI XIANNIAN BEGINS MEETINGS WITH CEAUSESCU

Met by Ceausescu

OW271327 Beijing XINHUA in English 1307 GMT 27 Aug 84

[Text] Bucharest, August 27 (XINHUA) -- Chinese President Li Xiannian was accorded here this morning a red-carpet welcome on his state visit to Romania at the invitation of President Nicolae Ceausescu. Li Xiannian was back in Bucharest yesterday afternoon from Constanta, where he spent two and a half days after attending Romanian National Day celebrations at the head of a Chinese party and government delegation.

When the motorcade carrying President Li and his party arrived at the plaza in front of the State Council building at 9:55 a.m. (local time), a stormy ovation burst from the over 5,000 people, who lined both sides of the street leading to the council building waving miniature national flags of China and Romania and chanting "Hurrah! Hurrah!" As President Li stepped from his car, Ceausescu walked forward and they shook hands warmly, exchanging cordial greetings.

Today Bucharest was in a festive mood with Chinese and Romanian national flags fluttering along the main streets and in plazas. At 10:00 a.m., a grand welcoming ceremony was held at the plaza amidst the strains of the Chinese and Romanian national anthems. President Li stood at attention to salute the Romanian national flag.

In the company of President Ceausescu, President Li walked along a red carpet to review the guard of honor, who shouted in unison to salute the Chinese president. Four Romanian Young Pioneers -- two boys and two girls -- rushed up to present bouquets to both leaders. Greeting President Li and his party in the plaza were other Romanian leaders Manea Manescu, Emil Bobu, Lina Ciobanu, Ion Dinca, Gheorghe Pana, Foreign Minister Stefan Andrei and Defence Minister Constantin Olteanu. President Li's entourage includes Hao Jianxiu, alternate member of the Secretariat of the Chinese Communist Party Central Committee; Gong Dafei, vice foreign minister; and Li Zewang, Chinese ambassador to Romania.

After the ceremony, the two leaders walked into the house of the State Council and had a private meeting followed by the first round of their official talks.

Begins Ceausescu Talks

OW271332 Beijing XINHUA in English 1314 GMT 27 Aug 84

[Text] Bucharest, August 27 (XINHUA) -- Visiting Chinese President Li Xiannian and Romanian President Nicolae Ceausescu this morning started their first round of talks on international issues and the development of bilateral relations. Li is here on a state visit at the invitation of President Ceausescu. The talks began in the house of the State Council of Romania at 10:15 a.m. (local time).

The Chinese president was supported among others by Hao Jianxiu, alternate member of the Secretariat of the Chinese Communist Party Central Committee; Gong Dafei, vice foreign minister; and Li Zewang, Chinese ambassador to Romania.

The Romanian side included Ion Dinca, member of the Executive Political Committee of the Romanian Communist Party (RCP) Central Committee and first deputy prime minister; Lina Ciobanu, member of the Executive Political Committee and secretary of the RCP Central Committee; and Stefan Andrei, alternate member of the Executive Political Committee of the RCP Central Committee and foreign minister.

Before the talks, President Li presented President Ceausescu with 11 copies of the Chinese edition of the fourth volume of the selection works of Ceausescu, which were recently published specially in China for the 40th Romanian National Day. Ceausescu accepted the gifts with pleasure and expressed his thanks.

PRC Foreign Ministry Comments

OW271514 Beijing XINHUA in English 1458 GMT 27 Aug 84

[Text] Bucharest, August 27 (XINHUA) -- Chinese President Li Xiannian briefed Romanian President Nicolae Ceausescu on China's economic and political situation in their first round of talks at the house of the Romanian State Council here this morning. According to a Chinese Foreign Ministry spokesman, the one and-a-half-hour talks proceeded in an extremely cordial and friendly atmosphere.

The Romanian president welcomed his Chinese counter-part, who, at the head of a Chinese party and government delegation, began his state visit today after attending Romania's National Day celebrations a few days ago. President Li thanked him for the sincere and comradely welcome accorded him and his party by the Romanian Communist Party and government and Ceausescu himself.

President Li told his Romanian comrades that China's national economy was developing steadily and better than expected. He said that in China's economic work, special attention was being paid to restructuring the economy and opening to the outside world, both with initial success. Following the principle of seeking the truth from the facts, the Chinese leader said China was continuing to explore a road of socialist economic construction suitable to the her specific conditions. President Li also told his host that there were a number of problems and difficulties in China's economic construction.

The Chinese president said the political situation in China was also good, with country-wide stability and unity unprecedented in the past 20 years. [Beijing XINHUA Domestic Service in Chinese at 1410 GMT on 27 August carries a similar item which phrases the preceding sentence as follows: "The Chinese President said: The political situation in China is also good. We have correctly handled the relations between political and economic affairs and relations regarding the contradictions between the enemies and ourselves and the contradictions among the people. We have criticized the lopsided and mistaken practice of 'putting politics in command of everything' and 'taking class struggle as the key link.' A situation characterized by stability and unity, unprecedented in the past 20 years, has prevailed in China."]

President Li also explained China's policies on Hong Kong and Taiwan.

The Chinese president was supported among others by Hao Jianxiu, alternate member of the Secretariat of the Chinese Communist Party Central Committee; Gong Dafei, vice foreign minister; [The same XINHUA Domestic Service item at this point adds: "Chen Jie, delegate to the minister of foreign economic relations and trade; Tao Siju, vice minister of public security; Sun Honglie, vice president of the Academy of Sciences of China;"] and Li Zewang, Chinese ambassador to Romania.

The Romanian side included Ion Dinca, member of the Executive Political Committee of the Romanian Communist Party [RCP] Central Committee and first deputy prime minister; Lina Ciobanu, member of the Executive Political Committee and secretary of the R.C.P. Central Committee; and Stefan Andrei, alternate member of the Executive Political Committee of the R.C.P. Central Committee and foreign minister. The talks will continue this afternoon.

Hong Kong, Taiwan Discussed

HK271350 Beijing ZHONGGUO XINWEN SHE in Chinese 1253 GMT 27 Aug 84

[Report: "Li Xiannian Talks About Solving the Issues of Hong Kong and Taiwan"]

[Text] Bucharest, 27 Aug (ZHONGGUO XINWEN SHE) -- In his talks with Romanian President Ceausescu this morning, President Li Xiannian introduced China's policy for returning Hong Kong and Taiwan to the motherland.

Li Xiannian said that in accordance with China's Constitution, after sovereignty is recovered a special administrative region will be established in Hong Kong. This region will be administered by the local people of Hong Kong and will enjoy a high degree of independence. Second, Hong Kong's current social system, economic system, and lifestyle will remain unchanged and its law will remain basically unchanged. Third, Hong Kong will continue to be a free port and international financial and trade center.

Regarding the issue of Taiwan's return to the motherland, Li Xiannian said that, proceeding from the basic interests of our state and nation and in light of historical experience and of the realities of Taiwan, we have put forward a plan for implementing two systems in one country after unification.

At the talks lasting 1 and 1/2 hours this morning, Li Xiannian also introduced China's domestic economic and political situation. The talks were held in a cordial and friendly atmosphere and will continue this afternoon.

Talks Enter Second Round

OW280206 Beijing XINHUA in English 0150 GMT 28 Aug 84

[Text] Bucharest, August 27 (XINHUA) -- In the second round of talks held here this afternoon, Romanian President Nicolae Ceausescu briefed his Chinese counterpart on the political and economic situation in Romania while Li Xiannian elaborated China's stand on some international issues.

Ceausescu said that generally speaking, the political and economic situation in Romania is good. At present, Romania concentrates its efforts on the implementation of the resolutions and decisions adopted by the 12th Congress of the Romanian Communist Party and the national conference of the party held in 1982

On the current international situation, the Chinese president pointed out that the world situation has not been relaxed in the least but become more grim. The "hot spots" in the world have increased, instead of decreasing. Li said that he fully agreed to Ceausescu's position elaborated in his National Day speech, which calls for a stop to the deployment of U.S. missiles and the Soviet counter-measures, for the resumption of Soviet-American negotiations with a view to reaching an agreement. Li said China also hopes to see the resumption of the American-Soviet negotiation. China stands for a genuine disarmament and maintains that the United States and the Soviet Union should take the lead by cutting back their nuclear weaponry, he stressed. Li also explained China's view on some other international issues of common concern.

On Sino-Romanian relations, the two leaders were satisfied with the friendly relation of cooperation between the two parties and the two countries and their militant unity. They expressed the common desire to further develop such excellent relations. Li said China and Romania have always respected, trusted and supported each other. He thanked the Romanian people for giving support to the Chinese people when China was in difficult time.

He said Comrade Ceausescu had visited China four times and made important contributions to the development of Sino-Romanian relations. He invited Ceausescu to visit China again and Ceausescu accepted the invitation with pleasure. The talks will continue tomorrow afternoon.

More on Second Round

OW280258 Beijing XINHUA in English 0241 GMT 28 Aug 84

[Text] Bucharest, August 27 (XINHUA) -- Visiting Chinese President Li Xiannian and Romanian President Nicolae Ceausescu resumed their talks for two hours here today.

During the talks, President Ceausescu briefed President Li on the progress made by the Romanian people under the leadership of the Romanian Communist Party in all-round socialist construction and implementation of the resolutions adopted by the 12th party congress in 1979 and by the party's 1982 national conference. He said that the experiences, social development, and the impressive achievements gained by both China and Romania had contributed significantly to the cause of socialism, world peace and progress.

President Li expressed his appreciation of the report delivered by Ceausescu at the grand meeting to celebrate the 40th anniversary of Romania's "August 23 Revolution." The report, he noted, had summed up the achievements and was inspiring.

Li pointed out that the world situation had become more strained instead of having eased, with more trouble spots. Li agreed with Ceausescu's views on Euromissiles that both the deployment of the U.S. missiles and the Soviet counter-measures must be checked. He voiced China's hope that the United States and Soviet Union would agree to reopen their negotiations. He went on to say that China believed the United States and the Soviet Union should take the lead in disarmament, especially nuclear disarmament.

The two leaders expressed their complete satisfaction with the friendship, cooperation and unity between the two parties and the two countries, and the hope that the bilateral relations be further developed.

I. 28 Aug 84

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PRC INTERNATIONAL AFFAIRS
EASTERN EUROPE

He said that China and Romania have all along respected, trusted in and learned from each other and that China appreciated very much Romania's trust in and support to China in times of difficulty.

He invited President Ceausescu and his wife, Elena Ceausescu, to visit China at their convenience and Ceausescu accepted the invitation.

The two leaders will continue their talks tomorrow afternoon.

Ceausescu Comments at Banquet

OW272044 Beijing XINHUA in English 2032 GMT 27 Aug 84

[Text] Bucharest, August 27 (XINHUA) -- Romanian President Nicolae Ceausescu said today life has proved that socialism can be built under different conditions of various countries. He pointed out that fact has demonstrated the strength of socialism and its capability to build a new society under which all peoples can enjoy justice, equality, progress and welfare. Ceausescu made these remarks at a banquet he gave here this evening in honor of Chinese President Li Xiannian. Li is now on a state visit to Romania after attending this country's National Day celebrations.

He said socialist countries must do all they can to demonstrate the superiority of the socialist system with facts and concrete achievements. "Let us show the world that only socialism can ensure the elimination within a short period of backwardness left over by the old society, ensure the steady development of economy and social progress and open up the vistas for building a richer and freer new life," he added.

He said the achievements made by the Romanian and Chinese peoples constitute a direct contribution to the growth of strength, prestige and influence of socialism in the whole world.

Further on Ceausescu Remarks

OW272048 Beijing XINHUA in English 2036 GMT 27 Aug 84

[Text] Bucharest, August 27 (XINHUA) -- Romanian President Nicolae Ceausescu today appealed to the world people, the Europeans in particular, to take actions to stop arms race, realize disarmament and defend peace.

He made the appeal at a banquet he gave here this evening in honor of visiting Chinese President Li Xiannian.

Ceausescu said that the policy of maintaining and redividing the spheres of influence, and resorting to the use of force or threat of force has been gaining momentum and, therefore, the danger of a new world war is increasing.

He stressed that efforts should be made to prevent the United States from deploying missiles and the Soviet Union from carrying out counter-measures, and to urge them to resume negotiations and reach agreement on the removal of missiles in Europe and destruction of nuclear weapons.

He said Romania stands for turning the Balkan region into a zone of peace and cooperation free of nuclear weapons and foreign military bases and, at the same time, supports the creation of such zones in northern and central Europe and elsewhere in the world.

He said Romania favors negotiated settlements of international disputes and supports a comprehensive political settlement of the conflict in the Middle East. The Romanian president also called for the cessation of the Iran-Iraq war and for a peaceful settlement of the issue. He declared that his country will make every effort to strive for peace and promote international cooperation.

More on Banquet Speeches

OW271950 Beijing XINHUA in English 1929 GMT 27 Aug 84

[Text] Bucharest, August 27 (XINHUA) -- President Li Xiannian said here today the Chinese people heartily rejoice at Romania's great achievements in national construction and at its increasing role in international affairs in the past 40 years since liberation. President Li is on a state visit to this country, timed to coincide with the celebrations of the 40th anniversary of Romania's liberation on August 23, 1944.

Speaking at a banquet hosted in his honor by President Nicolae Ceausescu this evening, the Chinese leader said: "After 40 years of arduous struggle and hard work, Romania, an impoverished and backward country before liberation, has become a socialist state with modern industry and advanced agriculture." While its gross domestic product and per capita national income today are 14 times higher than the pre-liberation level, Li noted, industrial production has been growing even faster, now standing at 50 times what it was 40 years ago. Romania's agriculture is also much more productive thanks to the "new agricultural revolution" initiated by President Ceausescu, he said. Last year, nearly 20 million tons of grain was produced, a good harvest despite an extremely severe drought. He attributed the tremendous successes to the leadership of the Romanian Communist Party headed by Ceausescu and its application of the universal principles of Marxism to the concrete conditions in Romania.

Referring to Romania's foreign policy, President Li said socialist Romania now plays a greater role in maintaining world peace by consistently upholding a peaceful foreign policy. He noted that Romania opposes the policy of dividing the globe into spheres of influence and urges the elimination of the confrontation between the two major military blocs.

Concerned about the arms race and particularly the nuclear arms race, Romania calls for disarmament. "In face of the grim situation in Europe," President Li said, "Comrade Ceausescu has time and again appealed to the United States to halt the deployment of nuclear missiles and the Soviet Union to stop carrying out its counter-measures and called on them to resume negotiations at once."

Li noted that Romania, while wishing to develop friendly relations with all countries, emphasizes that inter-state relations should be guided by the principles of independence, equal rights, non-interference in each other's affairs and the non-use of force or the threat to use force. He added that such a foreign policy has won worldwide appreciation.

Li Speaks at Banquet

OW272018 Beijing XINHUA in English 1945 CMT 27 Aug 84

[Text] Bucharest, August 27 (XINHUA) -- Visiting Chinese President Li Xiannian said here this evening that the independence and sovereignty of European countries should be respected and their security guaranteed. Speaking at a banquet given in his honor by Romanian President Nicolae Ceausescu, Li Xiannian said that China wants to see the development of relations between East and West European countries and the easing of tensions between the Soviet Union and the United States because these are in the interest of peace and stability in Europe and the world as a whole. President Li, who arrived here on August 20, is now on a state visit to Romania after attending its National Day celebrations.

Referring to the arms race, Li said, "We are in favor of disarmament and against the arms race. We stand for the complete prohibition and thorough destruction of nuclear weapons." He said China and Romania share the same views on the issue of medium-range nuclear missiles. He urged the United States and the Soviet Union to stop their deployment of new nuclear weapons in Europe and other regions and resume negotiations to reach agreement on a drastic cut in their nuclear arsenals.

China, which follows an independent and peaceful foreign policy, opposes power politics and hegemonism and works toward the relaxation of world tensions, he declared. He pointed out that world war can be averted and peace maintained as long as the peoples of various countries face up to the danger of a new world war and actively join the campaign to stop the arms race between the superpowers and their scramble for world hegemony. "For this end," Li said, "we will stand side by side with Romania, the Third World countries and all the peace-loving countries and peoples; strengthen solidarity and coordinate actions with them; and make our own efforts."

Further on Li's Speech

OW272020 Beijing XINHUA in English 1950 GMT 27 Aug 84

[Text] Bucharest, August 27 (XINHUA) -- Socialist countries should become the examples of strictly abiding by the Five Principles of Peaceful Coexistence in handling their mutual relations, Chinese President Li Xiannian said here this evening. He stressed: "All countries in the world, big or small, strong or weak, rich or poor, are sovereign states on an equal footing. Every country has its right to choose independently its own road of revolution and construction and to decide independently its position and policies on world affairs. Naturally, the socialist countries are no exception." The Chinese leader, who is on a state visit to Romania, was speaking here at a banquet given in his honor by President Nicolae Ceausescu.

Li noted that only on the basis of independence of each country would it be possible to establish true internationalist cooperative relations. He added that it runs counter to the fundamental principles of Marxism-Leninism to describe the safeguarding of a country's independence and sovereignty and its legitimate national interests as "nationalism," still less to encroach upon them.

In his speech, President Li highly appreciated Romania's consistent efforts to defend the correct norms governing the relationship between the socialist countries.

The Chinese leader highly appreciated Romania's consistent efforts to defend the correct norms governing the relationship between the socialist countries. "The Chinese Government and people resolutely support the correct stand taken by the Romanian Government and people on this important issue," he declared.

Li Discusses China's Progress

OW272022 Beijing XINHUA in English 2003 GMT 27 Aug 84

[Text] Bucharest, August 27 (XINHUA) -- Visiting Chinese President Li Xiannian declared here today that China's goal in her national construction "is to build socialism with Chinese characteristics." He said the Chinese people were confidently determined to accomplish this glorious historical task through their prolonged and unremitting efforts under the leadership of the Chinese Communist Party.

The Chinese leader was speaking at a grand banquet in his honor given by Romanian President Nicolae Ceausescu this evening. Li is now paying a state visit here after attending Romania's National Day celebrations. He flew into Romania from China a week ago.

While briefing the Romanians on China's excellent political and economic situation, he summarized the goal and policy of China's socialist construction. He said, "We will adhere to the four cardinal principles of sticking to the socialist road, the people's democratic dictatorship, the party's leadership, and Marxism, Leninism and Mao Zedong Thought."

He continued, "We will proceed from China's specific conditions in doing everything, bring every positive factor into full play by reforms, carry out the policy of opening to the outside world on the basis of self-reliance, and build up socialist spiritual civilization as we work for socialist material civilization."

"In accordance with the principle of maintaining the leading role of planned economy supplemented by market regulation, and while keeping the predominant position of the state sector of the economy," he stated, "we will give full scope to the state-owned, collective, and individual economies under the unified planning and guidance of the central government and adopt special policies to some areas so as to speedily boost productivity, continuously raise the standard of the people's material and cultural life, and realize socialist modernization."

Li Receives Highest Award

OW272038 Beijing XINHUA in English 2026 GMT 27 Aug 84

[Text] Bucharest, August 27 (XINHUA) -- Romanian President Nicolae Ceausescu conferred a "Star of the Socialist Republic of Romania" medal, first class, on visiting Chinese President Li Xiannian here this evening.

At the awarding ceremony, which took place just before a banquet in Li's honor, Ceausescu paid high appreciation of President Li's important contribution to the promotion of the traditional friendship between the two countries and the two peoples, to the cause of socialism, world peace and international cooperation. Ceausescu said the Romanian people regard President Li Xiannian as a great friend of the Romanian Socialist Republic.

He stressed that the Romanian Communist Party and Government have highly evaluated the the friendly relations and cooperation between the two countries and the two peoples, which have been established on the firm basis of mutual respect for national independence and sovereignty, non-interference in each other's internal affairs, mutual benefit and socialist unity. He expressed the hope that these relations will further develop through the joint efforts of Romania and China.

In reply, Li Xiannian thanked Ceausescu for conferring the medal on him and the warm praise of him. He said, "It is not only a high honor conferred on myself personally, but, more importantly, it vividly shows the genuine feelings of the Romanian Communist Party, Government and people for the Chinese Communist Party, Government and people." He wished Sino-Romanian friendship as bright as the golden star on the medal, which would shine forever.

The decision to confer the honor on President Li Xiannian on his 75-year-old birthday was made in a decree signed by President N. Ceausescu on June 22 this year. The five-star golden medal is the highest honor for Romanians as well as foreign citizens who have made outstanding achievements in a certain field.

Romanian Relationship Described

OW272124 Beijing XINHUA in English 2104 GMT 27 Aug 84

[Text] Bucharest, August 27 (XINHUA) -- Romanian President Nicolae Ceausescu and Chinese President Li Xiannian today expressed their common desire and determination to further consolidate and develop the profound traditional friendship and cooperation between the two Communist Parties, governments and peoples of China and Romania.

Speaking first at the banquet he gave in honor of President Li at the house of the State Council this evening, Ceausescu first of all extended warm welcome to the Chinese leader and expressed thanks for Li's participation in Romania's National Day celebrations. "We regard your participation in our National Day celebrations and your current visit to Romania as an expression of the solid feelings between our two countries and two peoples, who treasure and respect each other," Ceausescu said, adding that "It is also a proof of the long and fine traditional friendly cooperation" between the two countries, two Communist Parties and two peoples of China and Romania.

In return, President Li said he felt extremely happy that he had the honor to join the Romanian people in celebrating their National Day and to pay a state visit to this country. "The Romanian people and the Chinese people are comrades-in-arms sharing weal and woe. The Chinese party and people highly treasure the Sino-Romanian friendship and are determined to do their utmost to consolidate and develop it," he added.

The banquet was attended by high-ranking Romanian party and government officials. Among them were members of the Executive Political Committee of the Central Committee of the Romanian Communist Party Constantin Dascalescu, Manea Manescu, Emil Bobu and Ion Dinca.

Ceausescu said there is great possibility to further develop the extensive cooperation, particularly in the economic, scientific and cultural fields as well as in the struggle for world peace.

He highly valued the outstanding achievements made by the Chinese people under the leadership of the Chinese Communist Party and the important role played by China in safeguarding world peace and security.

The Romanian leader expressed great anxiety about the world tensions, saying "the key issue of our age is to do our utmost to stop arms race, realize disarmament, primarily nuclear disarmament, defend peace, prevent a nuclear catastrophe and safeguard the supreme rights of the mankind and people to life, existence and peace." He reiterated Romania firmly holds that its relations with other countries must be based on the principles of fully equal rights, respect for national independence and sovereignty, non-interference in each other's internal affairs, mutual benefit, and non-use of force or threat of force.

President Li responded by saying that the revolutionary friendship and military unity between the Chinese and Romanian peoples have profound and solid basis. In the long period of their struggle and construction, the two peoples have always been supporting and helping each other. "We, the Chinese people, will never forget that the Romanian people have always given us precious support either in the cause of defending the correct norms governing relations between the socialist countries and the communist parties of various countries or in our socialist construction and the struggle for the reunification of our motherland," he added.

Li expressed high appreciation over Romania's peace policy and the tremendous achievements gained by the Romanian people in the past 40 years, especially in the last two decades under the leadership of the Romanian Communist Party headed by Comrade Ceausescu. He said Romania is playing an ever greater role in maintaining world peace.

Referring to the relaxation of tensions in the world, Li declared "China stands for the development of relations between East and West European countries and the easing of relations between the Soviet Union and the United States." He stressed the independence and sovereignty of the European countries should be respected and their security guaranteed. He pointed out that the five principles of peaceful coexistence "are applicable not only to relations between countries with different social systems but also to relations between countries with similar social systems."

He also briefed on the excellent domestic situation in China and elaborated the policies of building a socialism with Chinese characteristics. Also attending the banquet were members of Li's entourage, including Hao Jianxiu, alternate member of the Secretariat of the Chinese Communist Party Central Committee; Gong Dafei, vice-minister of foreign affairs; Li Zewang, Chinese ambassador to Romania.

Li Interviewed by Romanian TV

OW280926 Beijing XINHUA in English 0910 GMT 28 Aug 84

[Text] Bucharest, August 28 (XINHUA) -- Chinese President Li Xiannian declared here this morning that to continuously strengthen and develop the great Sino-Romanian friendship is "a firm and unshakable policy of the Chinese Communist Party and Government."

In an interview with Romanian T.V. reporters, the visiting Chinese president stressed, "The Sino-Romanian relations of friendship and cooperation, based on mutual respect and full equality, have stood the test of the storms."

"Together with the Romanian comrades, we will as always do our utmost to fully develop the Sino-Romanian relations of friendship and cooperation," he said.

Li spoke highly of Romania's tremendous achievements in its socialist construction. He said that in the past forty years the Romanian people, relying on their own efforts and hard work, have built Romania from a poor and backward country into a socialist country with modern industry and advanced agriculture. "These great achievements of the Romanian people are inseparable from the resolute leadership of the Romanian Communist Party headed by Comrade Ceausescu and its persistent application of the universal principles of Marxism to Romania's specific conditions by the party, government and people of Romania," President Li pointed out. At present, he said, the Romanian people, closely rallying around the Romanian Communist Party, are working hard to usher in the forthcoming thirteenth congress of the Romanian Communist Party and striving to build a socialist society of with all-round development. [as received]

Li also highly praised Romania for persisting in independence and following a peaceful foreign policy. He said: "The Romanian Government and people stand against power politics, oppose the arms race, nuclear arms race in particular. They are actively seeking the relaxation of tension in Europe and defending world peace. Comrade Ceausescu himself has made untiring efforts to maintain the peace in Europe and the world." "This stand taken by the Romanian Government and Comrade Ceausescu in persisting in principle and upholding justice has won worldwide appreciation," he said.

He wished the Romanian people still greater successes in their socialist construction and the struggle for peace.

XINHUA INTERVIEWS HAO JIANXIU ON ROMANIA VISIT

OW270959 Beijing XINHUA in English 0849 GMT 27 Aug 84

[Text] Bucharest, August 27 (XINHUA) -- Hao Jianxiu, alternate member of the Secretariat of the Chinese Communist Party Central Committee, told XINHUA here today that since her arrival in this country on August 20 she has been deeply impressed by the remarkable achievements of the Romanian people since liberation 40 years ago. Hao Jianxiu returned here yesterday afternoon from Constanta, where she stayed for two and a half days. She is now accompanying President Li Xiannian on a state visit to Romania after attending the country's National Day celebrations as a member of the Chinese party and government delegation.

In an exclusive interview with XINHUA, she said that Romanian President Nicolae Ceausescu's speech delivered at the National Day celebration highlighted the achievements of the Romanian people since liberation. She added that the military parade and mass procession held in Bucharest on August 23 demonstrated the high sense of organization and discipline and vigorous morale of the Romanian people. It also showed that the Romanian Communist Party and its leader Ceausescu enjoy high prestige among the Romanian people, who are clearly determined to defend the independence and sovereignty of Romania and build it into a still stronger and more prosperous country.

Asked about her tour of the Danube-Black Sea Canal last Saturday in Constanta, she said "The canal is a magnificent and amazing project. It vividly embodies the Romanian people's revolutionary spirit of self-reliance and hard work."

ZHAO ZIYANG MEETS OMAN, CAMEROON ENVOYS

OW240732 Beijing XINHUA in English 0653 GMT 24 Aug 84

[Text] Beijing, August 24 (XINHUA) -- Chinese Premier Zhao Ziyang met with outgoing Omani Ambassador to China 'Awad Badr Mar'i ash-Shanfari and Cameroon Ambassador to China John Monie Nkengong on separate occasions at Zhongnanhai here this morning.

PRC, CAMEROON SIGN CULTURAL AGREEMENT

OW270932 Beijing XINHUA in English 0901 GMT 27 Aug 84

[Text] Beijing, August 27 (XINHUA) -- National People's Congress Standing Committee Vice-Chairman Yan Jici today met a Cameroon Government cultural delegation led by Youth and Sports Minister Ibrahim Mbombo Njoya.

During the meeting at Beijing's Great Hall of the People, Yan expressed satisfaction with cultural co-operation between China and Cameroon in recent years. He said he believed the visit by Minister Ibrahim Mbombo Njoya would further enhance friendship between the two countries. The Cameroon minister said he was eager to see a further strengthening in friendly ties.

After the meeting, Chinese Culture Minister Zhu Muzhi and the Cameroon minister signed a five-year cultural agreement. Under this, the two countries will carry out exchanges and co-operation in culture, education, science, public health, sports, press and broadcasting. Chinese Vice-Minister of Culture Lu Zhixian and Cameroon Ambassador to China John Nkengong Monie were present at both occasions.

KUWAITI DELEGATION LEAVES BEIJING FOR SHANGHAI

OW261512 Beijing XINHUA in English 1455 GMT 26 Aug 84

[Text] Beijing, August 26 (XINHUA) -- A delegation from the National Assembly of the State of Kuwait led by Speaker Mohammad Yusuf al-'Adasani left here by air this morning for a visit to Shanghai and Shenzhen in the company of Gu Dachun, member of the Standing Committee of the National People's Congress. Wang Renzhong, vice-chairman of the NPC Standing Committee, saw the delegation off at the Beijing airport.

Upon their arrival in Shanghai the Kuwait visitors were greeted at the airport by Shi Ping, vice-chairman of the Shanghai Municipal People's Congress Standing Committee.

From the airport they went straight to the Qiyi (July 1) People's Commune on Shanghai suburbs. They were given a briefing on the development of the commune, visited a short-making factory, an orchard, a clinic and a peasant family.

This afternoon the delegation visited a knitwear mill.

Hu Lijiao, chairman of the Shanghai Municipal People's Congress Standing Committee, gave a banquet welcoming the delegation this evening. The delegation is scheduled to leave here for Shenzhen tomorrow.

I. 28 Aug 84

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PRC INTERNATIONAL AFFAIRS
MIDDLE EAST & AFRICA

PRC LEADERS MEET WITH MAURITIUS MINISTER

Chen Muhua Fetes Beedassy

OW241310 Beijing XINHUA in English 1256 GMT 24 Aug 84

[Text] Beijing, August 24 (XINHUA) -- Chen Muhua, Chinese state councillor and minister of foreign economic relations and trade, met and gave a dinner for Rohit Niemo Beedassy, Mauritius minister of works, and his party here this evening.

Lu Xuejian, vice-minister of foreign economic relations and trade, was present at the meeting and dinner.

Beedassy and his party arrived here yesterday. They are scheduled to tour Hangzhou and Shanghai.

Meeting With Li Peng

OW251219 Beijing XINHUA in English 1039 GMT 25 Aug 84

[Text] Beijing, August 25 (XINHUA) -- Vice-Premier Li Peng met here this afternoon with Rohit Niemo Beedassy, Mauritian minister of works, and his party.

Lu Xuejian, vice-minister of foreign economic relations and trade, was present at the meeting.

NI ZHIFU MEETS UGANDAN TRADE UNION GROUP

OW270919 Beijing XINHUA in English 0900 GMT 27 Aug 84

[Text] Beijing, August 27 (XINHUA) -- President Ni Zhifu of the All-China Federation of Trade Unions met a delegation from the National Organization of Trade Unions of Uganda led by acting president Wilson Okello here today.

They had a friendly conversation about increasing relations between trade unions and workers of China and Uganda. The visitors arrived here earlier today.

NI ZHIFU TALKS WITH DJIBOUTI TRADE UNION LEADER

OW201303 Beijing XINHUA in English 1220 GMT 20 Aug 84

[Text] Beijing, August 20 (XINHUA) -- Ni Zhifu, president of the All-China Federation of Trade Unions, met here today with a delegation from the General Union of Workers of Djibouti led by its general secretary Moussa Ahman Osman. The two sides had a friendly discussion on advancing friendly relations of cooperation between the trade union organizations and workers of the two countries.

RECTIFICATION IN PLA GENERAL LOGISTICS DEPARTMENT

HK271115 Beijing RENMIN RIBAO in Chinese 27 Aug 84 pp 1, 4

[Report by Zhai Qiyun, Zhou Songnai, and Tian Liyan: "General Logistics Department Carries Out Education on Thoroughly Negating the 'Cultural Revolution' -- Grasp the Crucial Issues, Unify Thinking, and Uproot Factionalism"]

[Text] The CPC Committee and organizations of the PLA General Logistics Department have concentrated their efforts on discussion and education on thoroughly negating the "Great Cultural Revolution" these days in the course of party rectification. Their practice in the past 3 months has shown that they have laid a sound foundation for creating a new situation in logistics work by acting according to the actual situation, concentrating their attention on the analysis of controversial key issues, reaching a common understanding of the resolution adopted at the 6th Plenary Session of the 11th CPC Central Committee, uprooting "leftist" influence, eliminating factionalism, and ensuring the smooth development of the work of weeding out "people of the three categories."

In the course of studies and discussions, party members in the organizations of the General Logistics Department had relatively conspicuous differences on how to view the issue of the masses' rebellion against Qiu Huizuo in January and February 1967. Some comrades held that the act of opposing Qiu Huizuo was correct at that time. If we now denounce the act as a mistake, then would we affirm the Lin Biao counterrevolutionary clique? Under the guidance of the CPC Committee of the General Logistics Department, our comrades have examined the facts and made an analysis. Eventually they realized that in January and February 1967 the masses of the organizations of the General Logistics Department had actually launched a rebellious operation based on the erroneous theory and wrong methods of the "Great Cultural Revolution," and therefore the operation should equally be negated. Qiu Huizuo ruthlessly persecuted a vast number of cadres and, later, the masses. For a long time he attacked those who opposed him and covered up for others who supported him. After the "13 September" incident we exposed and criticized Qiu Huizuo's crime. At the same time, however, we indiscriminately affirmed those who opposed Qiu and denounced others who had supported Qiu. As a result, "classifying people in light of their attitude toward Qiu" has become the origin of factionalism in the General Logistics Department. Based on the above analysis, the CPC Committee of the General Logistics Department has helped many comrades who had been persecuted by Qiu Huizuo to recognize that they have not "all along been correct." Thus, some comrades who had committed mistakes have been deeply touched and have been emancipated from the negative mentality of "being ready to be criticized." The efforts of the CPC Committee of the General Logistics Department have therefore paved the way for further clearing up misunderstanding and strengthening unity.

To enhance their own self-consciousness in summing up experiences and drawing lessons from past failure, the members of the CPC Committee of the General Logistics Department first conscientiously studied the documents concerned and thus reached a common understanding of the need to thoroughly negate the "Cultural Revolution" in the General Logistics Department. In view of the fact that some members of the CPC Committees of the second grade divisions and the leading comrades of some sections and offices used to classify people in light of their "attitude toward Qiu Huizuo," the members of the CPC Committee of the General Logistics Department have had heart-to-heart talks with them again and again, in groups or with some individuals alone, to let them voice their views frankly. The General Logistics Department has also encouraged leading comrades to help each other and the leading people of the first grade divisions to help those of the second grade divisions. An adviser to a second grade division spent a sleepless night after having a heart-to-heart talk with Director Hong Xuezhi. He thought about his problem over and over and finally gained a correct understanding. He delivered an excellent speech at a meeting of the CPC Committee the next day.

After hearing this adviser's speech, several comrades who had formerly failed to straighten out their thinking eventually realized that in order to thoroughly negate the "Cultural Revolution," it is necessary not only to judge the case of Qiu Huizuo but also to weed out "people of the three categories"; and it is necessary not only to negate all the theories and practices of the "Cultural Revolution" but also to thoroughly eliminate the influence of the "Cultural Revolution" on every individual. They have understood that they would have displayed the residual influence of factionalism if they had only paid attention to the problems of those comrades who had committed mistakes but failed to examine the shortcoming of other comrades; and that negating the mass organizations of the two factions does not mean negating every individual. All people have enhanced their understanding based on this analysis. In addition, the CPC Committee of the General Logistics Department has also convened report meetings regularly to let its members talk about their understanding to the secretaries of the party committees of various divisions. The party committees at the two levels discussed it over and over again and finally unified their understanding. At last, through adequate preparations, they held a meeting of all party members of the organizations, briefed them on the development of the discussion of the party committees of the two levels and assigned Comrade Wang Ping to present on behalf of party committees the basic views on a series of major issues related to the "Cultural Revolution" in the General Logistics Department and told the masses of the people to discuss these views. During the discussion, every comrade spoke in light of the reality and soon unified their views.

Heart-to-heart talks have been carried out widely and thus have made up the gaps in thinking and feelings. The CPC Committee of the General Logistics Department stressed that each person had to make more self-criticism and that when people's views differed, we had to have patience and to actually implement the principles of not blaming the speaker but being warned by his words and of correcting mistakes if one had made any and guarding against them if one had not. We had to bare our hearts to one another, speak the truth, refrain from exaggeration or covering up mistakes, and refrain from conducting empty talk or lying. Furthermore, we had to refrain from speaking in a bureaucratic tone. We had to encourage people to speak their innermost thoughts and feelings and thus move other people with our sincerity. If we failed in the heart-to-heart talks once, we would try a second time and thus remove step by step the wounds in people's hearts. Because we regard thorough negation of the "Cultural Revolution" as a prerequisite, we have removed the antagonistic emotions and ideological hesitation in our comrades, created a democratic atmosphere in which each comrade could air his views freely, and thus promoted the deepening development of heart-to-heart talks. Some people jointly recalled the injuries of the "Cultural Revolution," and cast away their former enmity. Others time and again visited their former enemies to make self-criticism and thus gained their forgiveness. Still others wrote to the comrades who had been demobilized and transferred to civil posts to apologize, and were thus praised by these comrades. There were also some comrades who were strict with themselves. Although they had suffered persecution, they did not give themselves the airs of being correct, but consciously made self-criticism and thus enabled errant comrades not only to cast away their burdens, but also to deeply understand their mistakes. The masses of people reflected that as soon as activities of heart-to-heart talks were carried out, the comradely feelings that were common before the "Cultural Revolution" began to be restored.

Commentator's Article

HK271113 Beijing RENMIN RIBAO in Chinese 27 Aug 84 p 1

["Commentator's article: "Vital Issues Must Be Analyzed in Thoroughly Negating the 'Cultural Revolution'"]

[Text] All units in the first group to undergo party rectification in our Army have allocated a certain period of time to focus on carrying out education in thoroughly negating the "Great Cultural Revolution."

The General Logistics Department and other units have grasped the vital issues, resolved ideological problems and thus have achieved good results. Their experiences merit reference.

Ideologically and thoroughly negating the "Great Cultural Revolution" is a process of integrating practice with theory -- a process to restudy the "resolution" of the 6th Plenary Session of 11th CPC Central Committee and to further clarify that the set of theories on the "Cultural Revolution" run diametrically against Marxism and the process to thoroughly eliminate, closely in light of the reality in their units and in light of the thoughts in the minds of the people there, the influence of the "Cultural Revolution" and to focus on resolving some vital problems. If we merely talk abstractly about the necessity to thoroughly negate the "Cultural Revolution" but fail to concretely negate all activities that our units carried out according to the erroneous theory and methods of the "Cultural Revolution," and thus fail to clearly see our muddled and erroneous understanding about the "Cultural Revolution," this kind of negation cannot be thorough.

The situations in various localities and departments vary and each of them has its specific key issue that it must resolve during party rectification. Consider the General Logistics Department, for example. For a long time many people drew a demarcation line by judging whether a man "supported or opposed Qiu Huizuo." They used this as a yardstick to judge persons and things and to distinguish between right and wrong. In particular, in reorganizing the leading groups, appointing and dismissing cadres, fixing the grades of and increasing the salaries of our cadres and doing the work involving actual persons and things, they drew a demarcation line by this method and were often engaged in endless disputes. This has become a source of disaster. Through repeated discussion, the CPC Committee of the General Logistics Department decided to concentrate its strength on analyzing the correct method to deal with the key issue related to "supporting and opposing Qiu Huizuo." It presented facts, reasoned things out, and thus enabled those comrades who were the earliest to oppose Qiu and who then suffered prolonged persecution to consciously remove the ideological burden of "always having been right." This has moved some comrades who had committed mistakes and caused them to remove the ideological burden of "passively waiting for criticism." By so doing, it actually implemented the aim of this party rectification in linking with reality, seeking truth from facts, analyzing typical examples and considering things as they stand. This has compelled the cadres of the organizations, the leading groups and the masses of people to heighten their party spirit on the basis of straightening out their thinking, and thus strengthened the unity between cadres and between leading groups and the masses of people.

Some people worry that carrying out education in thoroughly negating the "Cultural Revolution" will cause people to be engaged in disputes over things in the past and thus give rise to new gaps. This kind of worry is unnecessary. In carrying out education in thoroughly negating the "Cultural Revolution," we do not want to unify people's thinking with the views of a certain faction or with the viewpoints of a few people. On the contrary, we want to unify people's thinking with the spirit of the "resolution" of the 6th Plenary Session of the 11th CPC Central Committee, eradicate factionalism, and strengthen unity. This is diametrically different from the practice of getting entangled in disputes to square old accounts for things in the past.

AGRICULTURE MINISTRY READJUSTS LEADING BODIES

OW271415 Beijing XINHUA Domestic Service in Chinese 1135 GMT 25 Aug 84

[Excerpts] Beijing, 25 Aug (XINHUA) -- Note of the Central Commission for Guiding Party Rectification Work: From this report we can see that the party group of the Ministry of Agriculture, Animal Husbandry, and Fishery has been earnestly doing the work of correcting mistakes while carrying out rectification.

In light of reality, the ministry has initially readjusted and improved leading bodies, while correcting mistakes step by step in the course of rectification. Their way of carrying out this task has been good. To ensure that the work of correcting mistakes in the course of rectification proceeds in a healthy and thorough way, we must stress the following:

1. The leadership must have firm determination, dare to tackle the toughest problems, and carry the task through to the end.
2. It is necessary to set high standards and adhere to strict demands in the work, and to strive to overcome laxity and the wrong notion that there is not much we can do in making corrections in the course of rectification.
3. We must proceed from actual conditions in the localities and departments concerned in determining the areas of emphasis, and must set forth measures and requirements to solve problems in an unequivocal manner. The four tasks set forth in the No 9 Circular of the Central Commission for Guiding Party Rectification Work must be fulfilled, although we may emphasize one more than another.
4. In the course of correcting mistakes while conducting rectification, it is essential that we pay attention to investigation and study, fully rely on the masses' wisdom and strength, and not huddle with just a handful of people. Upon discovering a major issue, we must promptly make investigation, take resolute measures, and not allow the work to drag on unfinished forever. [end of note]

(Report by reporter Zhou Yichang) In accordance with the requirements of the No 9 Circular issued by the Central Commission for Guiding Party Rectification Work and in the light of actual conditions in the respective departments, the party group of the Ministry of Agriculture, Animal Husbandry, and Fishery has formulated practical measures for implementing the task of making corrections while conducting rectification in a step by step manner, and has strived to score fine results in the work.

In doing party rectification work, the ministry entered the stage of comparison and examination in early May. Since the Central Commission for Guiding Party Rectification issued the No 9 Circular, the ministry's party group and its party rectification guiding group have earnestly studied the document.

After a month's efforts, the ministry has scored substantial results in initially readjusting the leading bodies at bureau and departmental level, building the third leadership echelon, correcting ideology for guiding operational work, and handling serious malpractices of bureaucratic comrades who have abused power for the sake of personal gains.

The ministry's party group held that resolving existing problems and strengthening the building of leading bodies are important tasks in the rectification and correction stage, and the key to doing well the various other tasks. Hence, we must firmly readjust the leading bodies at bureau and departmental level, in strict accordance with the requirements of reducing the average age of leading cadres at all levels and raising their level of education and professional competence, and of stabilizing the new leading bodies for 5 to 8 years. A salient problem among members of leading bodies at bureau and departmental level is high average age and low cultural level, which are incompatible with work requirements. According to statistics, the average age of the 71 cadres at bureau level is 56.4. Among them, 21 exceed 60 while 42 are below college level in terms of culture. The average age of the 309 cadres at the departmental level is 52.1, among whom 127 are less than college level in terms of culture.

As of now, the ministry has readjusted the leading bodies of 12 bureaus out of a total of 21. The number of members of leading bodies of the 12 bureaus has increased from 33 to 36, with an average age of 52.9, a decrease of 4.2 years. Moreover, the percentage of cadres with college level culture has risen from 33 to 69 percent. The readjustment of leading bodies at the departmental level goes hand in hand with that at the bureau level.

RENMIN RIBAO EDITORIAL ON INDUSTRIAL REFORM

HK271235 Beijing RENMIN RIBAO in Chinese 22 Aug 84 p 1

[Editorial: "An Important Step in Reforming the Industrial System"]

[Text] Following the reform of "separating government administration from enterprise management" instituted in the circulation field, the State Council made another decision recently at its routine work meeting. All enterprises under the authority of the Ministry of Machine-Building Industry should be transferred mainly to the key cities; the independent machine-building enterprises of other ministries should also be transferred to the lower levels; and the machine-building departments and bureaus of the provinces and autonomous regions will no longer exercise direct management over enterprises. This is an important step for reforming the entire industrial system.

The key to industrial system reform is, through the governments at various levels, to simplify administration and delegate power, extend the decision-making right of enterprises, and separate government administration from enterprise management in a step by step manner. The failure to separate government administration from enterprise management is a major defect in China's economic management system which has existed for a long time. Under such a management system, the departments in charge of industry exercise rigid management and the enterprises are excessively interfered with in operation and management. Some people feel at ease examining and approving everything. As a matter of fact, it is impossible to handle appropriately all the matters which one should not attend to. A ministry has thousands of enterprises under its authority which are scattered at various localities throughout the country. Because it is difficult for the person responsible for examination and approval to know the situation of each enterprise, he can only depend on issuing statistical tables and reports, requiring materials, holding meetings, and listening to reports, which consequently lead to mountains of documents and seas of meetings and encourage bureaucracy. Enterprises are usually anxious while they wait for funds, projects, and materials to be approved by the higher levels; and their requests are approved too late. Since the leading members and working personnel of the departments concerned are often busy in examining the reports submitted by the enterprises, they have no time to attend to macro-policy decisions. It is difficult for the higher levels to distinguish the fraud practiced by the lower levels, so the lower levels do not undertake any responsibility for implementing the decisions approved by the higher levels. As the leading organs at the higher levels are busy with general affairs, they are bound to be dilatory in doing things and may even make wrong decisions, which are arduous but fruitless exercises. Moreover, due to rigid management exercised by the higher level, several hundred thousands of enterprises have no decisionmaking power in independent operation, and they actually serve as subsidiaries of the administrative organs, which seriously inhibits the initiative and enthusiasm of enterprises. Thus it can be seen that only when the industrial management departments are determined to delegate power and grasp the major issues and release the minor ones can they genuinely simplify administration, free enterprises from the shackles of barriers between different regions and departments, and let them vigorously engage in commodity production and operations under the guidance of state principles, policies, and plans; rationally utilize human, material, and financial resources; fully tap the latent potentials within enterprises; attain better economic results; and accelerate the speed of development.

Provided the departments responsible for industry can free themselves from trivial affairs of micromanagement by instituting reform and can concentrate their efforts on grasping the overall situation, we will be able to regain the initiative over the entire work. In past decades, China's industry followed the pattern of the departmental management system, which set barriers between different departments and regions and which each formed into its own system. Due to excessive manufacturing of identical products and duplication of projects, the enterprises formed into an irrational production setup characterized by "big and comprehensive" and "small but complete." Because each trade and locality did things in its own way, it was impossible to form into an integrated information and feedback system and was difficult to make accurate policy decisions for production, which adversely affected the development of industry and the realization of the four modernizations.

In the current reform, the machine-building enterprises of various ministries will mainly be transferred to the key cities, and the Ministry of Machine-Building Industry will become a functional department under the State Council responsible for the machine-building trade of the entire country, which will utilize the regulative means of the economy and administrative legislation to formulate macroeconomic policies for the entire sector. Concretely speaking, it will appropriately exercise management over principles and policies, overall planning and balance, and coordination of the entire sector and will carry out supervision, consultative services, and so on. Only in this way will it be possible to remove the barriers between different departments and regions, break the bounds of different localities and trades, readjust the enterprise setup and product mix within the trades in light of the principle of specialized cooperation and economic rationalization, and further improve product quality, increase more varieties, reduce material consumption, and attain better economic results.

Machine-building industry reform involves numerous departments and enterprises. The State Council decision on transferring all the enterprises of the Ministry of Machine-Building Industry to the lower levels will inevitably push the all-round reform of the entire industrial system, which will be an event of great significance.

With the enthusiastic support of the broad ranks of cadres and workers, China's economic reform is gradually developing in depth. In order to "separate government administration from enterprise management," it is necessary for the responsible departments to delegate power, reform their management functions, and simplify administrative organs. As this striking change will sweep away some traditional ideas and force of habit, some comrades may lag behind in their ideological thinking. Therefore, it is necessary to conduct patient and painstaking ideological work, enthusiastically help them deepen their understanding, emancipate their minds, breathe the fresh air of reform, and actively join the ranks of reform.

LIAOWANG PRAISES GENERAL OFFICE INVESTIGATIONS

HK260727 Beijing ZHONGGUO XINWEN SHE in Chinese 0648 GMT 26 Aug 84

[Text] Beijing, 26 Aug (ZHONGGUO XINWEN SHE) -- Refraining from empty talk and striving for practical results is the work style advocated by high-level CPC leaders. Issue No 35 of the political magazine LIAOWANG, to be published tomorrow, reveals for the first time that there are people in the General Office of the CPC Central Committee who are specifically assigned to investigate and deal with cases, that is, they check on and supervise the localities and departments in eliminating bureaucratism and promptly solve all kinds of problems existing in work.

This special interview article, entitled "Carry Forward the Work Style of Grasping Matters to the End," says that launching the work of investigating and dealing with matters was proposed by Hu Yaobang, Xi Zhongxun, and Hu Qili.

Since last September people have been specifically assigned in the General Office of the CPC Central Committee to, on the one hand, convey to the departments concerned the comments of the CPC leaders on a certain matter or problem and to see to it that the matter is dealt with properly and the results reported; and on the other hand, they report to the central leaders for checking and approval of certain problems that need investigation and handling, and ask the areas and departments concerned to investigate and deal with them. By July this year, 734 comments of central leaders on the investigation and handling of various matters had been issued, and the CPC Central Committee General Office had written letters or made phone calls on such matters on 334 occasions, averaging in total more than 3 such instances a day. The central authorities have also dispatched people to more than 10 provinces and cities on 6 occasions to help to deal with matters and check on the implementation of measures.

According to information, about half of the problems dealt with are important problems in work in various aspects; next in number are problems of bad work style and violations of law and discipline by cadres; and after that are problems of policy implementation.

Some of the problems dealt with involve serious degrees of bureaucratism. For instance, in March the central leaders saw some material reporting that thousands of yuan worth of materials in the warehouse of the Shenyang Storage and Transport Company had been stolen and that the leadership there had failed to take action. Central leaders immediately commented on this. Personnel responsible for investigating and handling matters promptly handed this comment to the State Supplies Bureau, which immediately convened an emergency meeting of principal leading cadres of its 11 subordinate storage and transport companies throughout the country. The conference made arrangements for an all-round check on storage and transport work and blocked the loopholes.

Some of the problems dealt with are "long-standing, great, and difficult" problems that have awaited solution for a long time. For instance, Zhang Jishan of the criminal investigation police of Hailin County Public Security Bureau in Heilongjiang Province was involved in a serious case in which he viciously used his powers to rape a woman; but the county authorities only treated the case as one of indiscriminate sexual relations. The victim refused to accept this and continually appealed to higher authority, but the provincial and city political and legal departments merely passed the case on from level to level, with the result that the problem was still unresolved after 4 years. In January this year, a central leader commented on the case, and in only 1 month or so the facts of Zhang Jishan's crimes of raping a woman and stealing timber were thoroughly investigated. Zhang Jishan has now been arrested according to law.

FANG YI ADDRESSES RESOURCE UTILIZATION MEETING

HK280249 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 27 Aug 84

[Excerpts] The 1984 conference on scientific and technological work in the comprehensive utilization of resources at Jingchuan concluded in Jingchuan today after completing all of its agenda. The meeting reviewed and exchanged experiences in scientific and technological work progress for the comprehensive utilization of Jingchuan's resources in recent years, formulated the plans for key scientific research projects at Jingchuan for this year and next, summed up the experiences of Jingchuan Company and other units in relying on scientific progress to promote enterprise development, and studied and mapped out a general scheme for expanding the development scale of Jingchuan. The meeting also announced establishment of a development center for comprehensive utilization of Jingchuan's resources and for technology in (?compound oxygen) smelting of heavy metal sulphides [zhongjinshu liuhuawu fuyang ronglian jishu].

Fang Yi, member of the Political Bureau of the CPC Central Committee and state councillor, attended the meeting and made an important speech.

Governor Chen Guangyi and Provincial CPC Committee Deputy Secretary Jia Zhijie also made speeches. They pointed out: Nonferrous metals represent a superior feature of our country as well as our province. Gansu has abundant nonferrous metal resources. A certain foundation for the nonferrous metal industry has formed over the past 30 and more years. Developing our nonferrous metal resources constitutes an important way of eliminating poverty, enriching the people, and invigorating the economy. We must therefore place the nonferrous metals industry first in economic construction and adopt special methods and flexible measures, with the state, the collective, and the individual all operating this industry. At the same time we must organize scientists and technicians to make joint efforts to tackle tough technical problems. We must rely on science and technology in developing the economy.

Gansu is rather weak in technical forces. We must attach importance to investment in brainpower, support science and technology personnel, and mobilize their enthusiasm.

Speeches were also made at the meeting by Fei Ziwen, manager of the Nonferrous Metals Industry General Company of China; Song Hanliang, vice chairman of the Xinjiang Autonomous Regional Government; and comrades from the State Science and Technology, Planning, and Economics Commissions.

In his important speech at the conference, Comrade Fang Yi summed up the main experiences of the continual production development at the Jingchuan Company, as follows:

1. Follow the path of relying on scientific and technological progress to improve economic results.
2. Uphold the principle of comprehensive utilization and collect all sub-minerals that can be used.
3. Organize joint efforts to tackle difficult problems in scientific research and production; this produces results in a few years.
4. Formulate plans and mobilize the masses on the basis of carrying out full investigation and study, summing up experiences at home and abroad, and pooling the wisdom of the masses, in order to unite the forces of scientific research, design, construction, and production to make efforts to accomplish the new goals.
5. Open up to the world and be bold in carrying out reforms.
6. Have a leadership group with emancipated minds that is bold in shouldering responsibility and in creating a new situation.

On Jingchuan's future development plans, Fang Yi pointed out: Our country is large, but its foundation is weak. It is still rather poor. The tasks of the four modernizations and of achieving quadruplication require that we accumulate capital for the state still faster. We must therefore uphold the principle of developing major mines in a big way, first developing secondary mines, and quickly getting projects into production. We must have the spirit of reform and be bold in breaking through certain old conventions and habits. We must be bold in proposing new viewpoints and methods, adopt flexible operational methods, and organize a variety of economic joint undertakings and cooperation.

In conclusion, Comrade Fang Yi stressed: It is essential to do a good job in employing people to carry out successfully reform and management. We must cherish talent and seriously implement the party policy on intellectuals. At the same time we must thoroughly destroy the egalitarian practice of having everyone eat out of the same big pot, follow the principle of more earnings for more work, and enable some scientific and technical personnel to get rich ahead of others through invention and creation, applying for patents, carrying out technical innovations, providing technical services, and popularizing the fruits of scientific research. Scientific and technical personnel who have made major contributions must be given great rewards. Otherwise, it is impossible to achieve development in science, invigoration of the economy, and prosperity of the nation.

During the meeting Comrade Fang Yi conveyed the instructions of the CPC Central Committee and State Council on speeding up the development of the country's nonferrous metal industry.

The province and the Nonferrous Metal Industry General Company of China signed an agreement at Jingchuan today on economic cooperation. The agreement stipulates that the two parties will adopt the method of joint operation and distribution of products and profit in proportion to investment, to speed up the development and construction of the province's nonferrous metal industry. Chen Guangyi and Fei Ziwen signed the agreement. Fang Yi and responsible comrades of the State Science and Technology, Planning, and Economics Commission attended. Comrade Fang Yi praised the agreement, saying: This agreement provides a vivid (?example) of lively thinking and boldness in creating conditions for speeding up development of China's nonferrous metal industry.

The nonferrous metal industry is a superior industry in Gansu and also had a major impact on the whole country. The agreement signed by the two parties stipulates that during the Seventh 5-Year Plan focus will be on developing and building the Jingchuan nickel mine, (Baiyun) aluminum plant, and the northwest lead and zinc base in Gansu. At the same time the building materials, chemical, light and textiles, and foodstuffs industries will be developed correspondingly.

In working together to carry out all-round development of the nonferrous metals industry, the province will institute a number of favored treatment policies. These include the provision of sites, energy, manpower, and daily life services. Lanzhou University, Gansu Industrial University, Lanzhou Medical College, and Northwest Normal College will be responsible for recruiting a number of students each year for the province's nonferrous metals industry. The province will also provide personnel, quarters, and land for establishing a nonferrous metals college in Lanzhou for the Nonferrous Metal Industry General Company of China.

YUAN BAOHUA ADDRESSES FOOD INDUSTRY MEETING

OW270901 Beijing XINHUA Domestic Service in Chinese 0841 GMT 26 Aug 84

[By reporter Shi Baohua]

[Text] Beijing, 26 Aug (XINHUA) -- The first national conference on food industry since the founding of New China opened in Beijing on 26 August.

Yuan Baohua, vice minister in charge of the State Economic Commission and honorary chairman of the Chinese Food Industry Association, delivered the opening address. He said: The CPC Central Committee and the State Council have shown great concern for the people's livelihood and attached great importance to developing the food industry. In 1981 Comrade Hu Yaobang pointed out: We must emancipate our minds and broaden our vision in developing resources and must not limit development to a few mu of land.

He added: Because "food is the No 1 need of the people," food industry is indeed a matter of prime importance. With improvement in production and the people's livelihood, there will be broader prospects for the food industry. It can create a vast amount of funds for national construction, as well as ample opportunity for employment. Recently Comrade Hu Yaobang pointed out: China's food industry is developing rapidly. However, due to outdated equipment and thinking and backward technology, enterprises have either earned only small profits or suffered deficits. This situation must be changed immediately. Premier Zhao Ziyang also explicitly said: Food industry is "an important task that should be included on the agenda of governments at various levels." The 33d regular meeting of the State Council in 1984 more specifically pointed out: Our food industry is rather backward and needs to be greatly expanded. In the past, we stressed only developing light and textile industries. Now, we must lay special emphasis on food industry.

Yuan Baohua said: Spurred by the policy of enlivening the domestic economy and opening to the outside world since the 3d Plenary Session of the 11th CPC Central Committee, agricultural and subsidiary products have increased by wide margins as a result of the vigorous development of agricultural production, people's income in both urban and rural areas has increased, and living standards have risen. Urban economic reform has gradually spread from single points to entire areas. All enterprises have speedily carried out technical transformation. Food enterprises run by townships and towns and economic associations of various forms have been mushrooming. All of this has provided the material foundation for developing food industry in China, created a vast market, and established new tasks and challenges for the food industry. To meet this challenge bravely, we must realize this new situation, emancipate our minds, and support and promote big growth of China's food industry.

The conference, held under the auspices of the State Economic Commission, while studying the instructions of the party Central Committee and the State Council concerning food industry, will diligently study and implement policy measures set forth in the "Outline for Developing the Country's Food Industry From 1981 to 2000," which has been approved by the State Council, and will sum up the experience in developing food industry with Chinese characteristics in order to bring about a large growth in food industry.

Wang Lei, vice minister in charge of the State Economic Commission, made a report at today's session, entitled "Conscientiously Implement the Outline for Developing Food Industry, Bring About a Big Growth in Food Industry."

Responsible persons of food industry associations and of departments in charge of food industry from all provinces, municipalities, and autonomous regions, as well as food specialists, totaling over 400 people, are attending the conference.

Wang Lei on Expansion

OW261120 Beijing XINHUA in English 1104 GMT 26 Aug 84

[Text] Beijing, August 26 (XINHUA) -- China plans to build its food industry into one of the major economic sectors producing foodstuffs worth of 300 billion yuan in the year 2000, Wang Lei, vice-minister of the State Economic Commission, announced here today. Speaking at the first national conference on food industry which opened here today, Wang said that the government had decided to support the program by giving due allocation of investment, loan and foreign currency in the coming years.

The target, in keeping with the growing living standards of the people, can be met as the successive good harvests had provided ample raw materials for the industry, he added.

The past five years have seen rapid growth of the industry. Many foods with traditional color and local flavor have been restored. The number of foodstuff enterprises rose by 50 percent to more than 60,000 across the nation while their employees by 40 percent to nearly three million.

I. 28 Aug 84

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The State Council approved a food industry development program in July, calling for increasing the industry's output value to 15 percent of China's total industrial output value by the year 2000, as against 11 percent in 1980. The conference is held to work out measures to implement the program.

The vice-minister pointed out that China's food industry was still backward and most of the products were manufactured with out-dated equipment and manual labor, especially in rural areas. To change the situation, he noted, advanced foreign technology and equipment should be introduced.

IMPROVEMENTS NOTED IN PROVINCIAL GRAIN HARVESTS

OW280601 Beijing XINHUA Domestic Service in Chinese 0205 GMT 26 Aug 84

[By reporter Qiu Yuan]

[Text] Beijing, 26 Aug (XINHUA) -- Chinese food workers, who used to worry about food shortages, are now confronted with a new problem: what to do with the grain produced this year when warehouse and transportation facilities are insufficient to accommodate and transport the grain procured last year.

Food is the most essential need of the people. Comrade Mao Zedong pointed out in the 1960's: "When food is readily available, people work more confidently and happily, feeling much more at ease." Following the founding of New China, the Chinese people worked hard to achieve this objective, but their wish did not materialize until after the 3d Plenary Session of the 11th CPC Central Committee.

Now the situation has changed, thanks to several years of increases in food output. The country's grain producing zones, formerly reluctant to export more grain, now want to export more; and those zones wanting to import more grain to make up shortages now demand that imports be cut; some even have surplus for export. Last year, for example, 18 provinces and municipalities wanted to export a total of more than 30 billion jin of grain. For several years before 1983, only 3.2 billion jin of grain was exported by nine provinces. In 1982 seven provinces and regions reported that they had a shortage of 7.7 billion jin of grain. Last year these same provinces and regions could export over 7 billion jin of grain. Formerly Jilin Province could export 300 million jin of grain in a good year; last year, the province could export 8.3 billion jin of grain.

Comrades of the food departments point out that, instead of revealing that China has an oversupply of grain, the current situation shows only that our storage and transportation facilities are unable to keep up with the new situation as we were used to food shortages. The comrades are now working doubly hard to arrange more storage and transportation facilities in an effort to solve the new problems appearing in grain procurement and marketing.

RECORD GRAIN, COTTON HARVESTS EXPECTED

HK260058 Beijing CHINA DAILY in English 26 Aug 84 p 1

[By staff reporter Liu Dizhong]

[Text] China's grain and cotton output this year is expected to hit an all-time high but the country will not cut down its planned import of wheat from abroad, Deputy Minister of Commerce Jiang Xi told CHINA DAILY yesterday.

According to statistics available, Jiang said in an exclusive interview that the grain output this year is estimated to be more than 400 million tons, an increase of 17 million tons or 3.3 percent over last year. Cotton output may reach 5 million tons, up 8 percent on 1983. Last year was described as the best year for grain and cotton production since 1949 when New China was born.

Jiang said oil-bearing crop output may equal last year's figure of 10.55 million tons in spite of a decrease of sown area of rapeseeds, which has resulted a drop of more than 200,000 tons. The deputy minister said that China has collected the sixth bumper harvest in succession since 1978.

However, he said the grain output increase will not lead to reducing wheat import from Canada, Australia and the United States, the three major wheat suppliers of the country. "We'll strictly comply with and carry out the agreements with these countries," he stressed.

Up to August 10, the State purchased 20.2 million tons of wheat -- surpassing the planned target by 8 percent -- from Hebei, Shandong, Henan, Anhui, Jiangsu and 10 other major wheat-producing provinces. This is an increase of 28 percent over the corresponding period of last year. Jiang predicted that another 1.5 million tons of wheat or more will be purchased by the state in the next two months.

He attributed the rich harvest to the favourable weather, the spreading of more scientific farm management and technology, and the further perfection and extension of the rural responsibility system, which relies heavily on individuals and households in agricultural production.

According to the Ministry of Civic Affairs, which is responsible for disaster relief, this year saw fewer calamities than in the last five years, although there was severe drought this spring in the north and some floods in the south.

Jiang said great efforts have been made by commercial departments throughout the country to purchase as much grain and cotton as possible. Because of the shortage of purchasing stations, granaries and transport facilities, the peasants have previously found it difficult to sell their agricultural products quickly and conveniently. He declared that no commercial department is allowed to set a limit on peasants' sales of grain and cotton.

Meanwhile, the peasants, after fulfilling state purchase quotas, are allowed to sell grain at markets either in their local areas or in other provinces, he said. Rationing of grain for urban residents remains the same. He denied the rumour that the state will abolish the grain coupon in urban areas.

Successive harvests have raised the nation's per capita output of grain from 353 kilograms last year to nearly 400 kilograms. "This is still a low figure by world standards," he said, adding that everybody must do his best to save grain. Traditionally China exports every year a small amount -- about 2 million tons -- of soy beans, rice and maize to Japan, the Soviet Union and some Third World countries.

Further Report on Cotton

OW231242 Beijing XINHUA in English 1122 GMT 23 Aug 84

[Text] Beijing, August 23 (XINHUA) -- Pan Yao, vice-minister of the Ministry of Commerce, said today that another good harvest is expected this year. Speaking at the closing session of a national meeting on cotton production, Pan Yao said: "The reason for the good crop is extra investment and better management by the farmers. Of course, we have been lucky with the weather, too."

This year cotton growers have extensively applied manure before sowing. Plastic mulches have been used in over 840,000 hectares of cotton fields, nearly doubling the 1983 figure. Cotton seeds have been cultivated in seedbeds and transplanted to 1.32 million hectares, an increase of 10 percent. Fine varieties of seeds have been bred and planted by peasants in different parts of the country. In Shandong Province, China's largest cotton-growing area, fine varieties have been used in 333,000 hectares of land, replacing the Lumian No 1 variety which is high yielding but of an inferior quality.

Increased enthusiasm of the peasants is attributed to the fact that they now benefit from preferential policies of the state regarding cotton growers. These include higher prices for sales above quotas fixed by the state, and the supply of food grain and chemical fertilizers at prices lower than the market prices. Another reason is that the Number One Circular issued by the central authorities this year announced the extension of the time limit for the use of collective land by peasant households on a contractual basis to 15 years from five.

Pan Yao said a fundamental change has been wrought in the production of cotton in China. In 1983 China produced 4.6 million tons of cotton and by and large achieved self-sufficiency. The national work conference was opened on August 16. Participants had discussed such problems as the production, purchasing, inspection and processing of cotton and made rules and regulations in these fields of work.

YAO YILIN DISCUSSES PETROCHEMICAL REFORM

OW280119 Beijing XINHUA Domestic Service in Chinese 1240 GMT 26 Aug 84

[By reporter Ji Naifu]

[Excerpts] Beijing, 26 Aug (XINHUA) -- State Council Vice Premier Yao Yilin addressed the second meeting of company managers (factory directors) of petrochemical enterprises directly under the China Petrochemical Corporation, which ended in Beijing on 26 August. He said: Although the objective of reform, currently an endeavor of all circles, is the same, we may adopt various concrete forms to carry out reform, with practice as the sole criterion for testing it. The petrochemical corporation has become a national economic entity consolidating management of the country's petrochemical industry. He praised the petrochemical corporation's plan for reform as good and feasible and encouraged the corporation to substantiate and improve the plan continuously in the the course of practice.

The petrochemical corporation formulated at the meeting a "plan to further carry out reform and increase economic results." The main contents of the plan are to simplify administrative procedures and delegate more power to lower levels.

According to reports, after hearing a briefing by the petrochemical corporation last April, Premier Zhao Ziyang said: Because the petrochemical industry is regarded as a money-making undertaking by the country, the petrochemical corporation should try to raise economic results as quickly as possible -- investing less and producing more -- in order to provide timely help to alleviate the financial difficulty of the state. The meeting participants unanimously pledged to make greater contributions to the country.

State Councillor Chen Muhua and responsible persons from departments concerned attended the closing ceremony.

BO YIBO ON DALIAN CITY REFORM, OPEN POLICY

SK250225 Shenyang Liaoning Provincial Service in Mandarin 1030 GMT 24 Aug 84

[Text] On 23 August Bo Yibo, vice chairman of the Central Advisory Commission, gave an important speech in Dalian after hearing a briefing by the Standing Committee of the Dalian City CPC Committee. Comrade Bo Yibo fully affirmed Dalian's preparations for party rectification. He noted that we should correctly understand and handle the dialectical relations between reform and party rectification. The latter is the guarantee for opening to the outside world and for reform. We should use party rectification to promote reform and use the latter to test the former. The two are inter-related and have promoted each other, but are not equal. Dalian's tasks of opening to the outside world, and of development, reform, and innovation are very arduous. It should carry out reform and party rectification simultaneously and make good preparations for party rectification.

After speaking on eliminating the three types of persons, thoroughly negating the Great Cultural Revolution, and urban reforms, Comrade Bo Yibo further stressed: We should do a good job in training talented persons. He said: From now to the end of this century, it is imperative to train talented personnel for all fields. Because some old cadres and comrades will retreat, there will be a great shift. This is an inexorable historical law. In addition, we must confront new advanced technologies. This is another challenge for us. Our cadres must be real Marxists as well as experts in one or several branches of learning. They must also have organizational ability and be good at making strategic policy decisions.

Comrade Bo Yibo also said: Dalian is shouldering very heavy tasks because, in addition to opening to the outside world, it must also develop and carry out reforms and innovation. To fulfill these arduous tasks, it must mobilize all party members, cadres, and the broad masses of people to foster the spirit of defying death. It is impossible to fulfill tasks and to score achievements without fostering the spirit of defying death. If we are to build socialism with Chinese characteristics, we must arouse the national pride and sense of pride of the people, be determined to exert ourselves and to work hard, be bold to blaze new trails, and strive to win victory.

QIAO SHI ON BUILDING ENTERPRISE LEADING BODIES

OW270915 Beijing XINHUA Domestic Service in Chinese 0922 GMT 25 Aug 84

[By RENMIN RIBAO reporter Xiao Tihuan and XINHUA reporter Xu Yaozhong]

[Excerpts] Beijing, 25 Aug (XINHUA) -- Qiao Shi, alternate member of the Secretariat and head of the Organization Department of the CPC Central Committee, said today that the key question in building leading bodies of enterprises lies in promoting large numbers of young and outstanding intellectuals to take charge of leadership work. He said it is particularly necessary to promote outstanding and talented individuals who are about 40 and to let them shoulder major tasks. They should be trusted and given a free hand.

Qiao Shi made the above remarks at the national discussion meeting on the building of leading bodies of enterprises which opened this morning. He said that by and large today's cadres of about 40 graduated from college either slightly before or during the early days of the "Cultural Revolution." Generally speaking, these people have many good points. First, they have a strong ideological foundation. Having been tempered by the "Cultural Revolution" and educated in the campaign to set things right, they have acquired a certain political ability to distinguish right from wrong. Second, they have solid foundation in cultural and scientific knowledge. Third, they have experience in practical work. Fourth, they are in the prime of their lives.

Qiao Shi discussed the importance of more effort in strengthening the building of the leading bodies of enterprises, especially of the leading bodies of the over 3,000 large and medium-size key enterprises in China. He told the meeting that the party Central Committee and the State Council attach great importance to building the leading bodies of enterprises. In April this year the Secretariat pointed out that following the 3d Plenary Session of the 11th CPC Central Committee we failed to pay enough attention to building leading bodies of large enterprises, scientific research institutes, and institutions of higher learning and that from now on we must insure that we pay adequate attention to selecting and assigning jobs to leading cadres of these units.

Qiao Shi felt that, as a result of over 2 years of consolidation, there has been improvement in the age and cultural structure of the leading bodies and that the enterprises themselves have also drastically changed their outlook. But many shortcomings still exist with regard to the age and cultural structure of leading bodies. According to a rough estimate made at the beginning of this year, among the over 3,000 large and medium-size enterprises, about 40 percent of the factory directors and 70 percent of the party committee secretaries still need to be changed.

Qiao Shi noted that a great deal of work still needs to be done to do this work well. The key lies in the leaders' determination and the effectiveness of measures at all levels. Veteran comrades should fully support the younger cadres in assignments at frontline jobs.

To strengthen the building of enterprises' leading bodies, Qiao Shi called on organization departments to improve themselves so that they no longer will be unfamiliar with the kind of work performed by cadres in the economic field. He said that the cadre system of an enterprise should be compatible with its specific features. It is necessary to do a better job and to be a little more flexible in regard to personnel management of the cadres of enterprises.

The national discussion meeting on the building of leading bodies of enterprises is being sponsored by the CPC Central Committee's Organization Department with the approval of its Secretariat. The central theme of the meeting is to find out how to accelerate building enterprises' leading bodies in accordance with the principle of making their members more revolutionized, better educated, professionally more competent, and younger. The meeting will focus attention on how to raise the quality of the enterprises' leading bodies to a new level so that the enterprises will be in the vanguard of the drive for economic reforms and play a still greater role in China's socialist economic construction.

The meeting is attended by more than 200 responsible comrades of party committees of all provinces, municipalities, and autonomous regions in the country, of organization departments of the State Council's ministries and commissions, and of party committees of large enterprises under the direct control of the central authorities.

Further Details

OW260746 Beijing XINHUA in English 0651 GMT 26 Aug 84

[Text] Beijing, August 26 (XINHUA) -- A system of fixed working term for factory directors will be instituted in more than 3,000 major state-owned enterprises beginning next year, according to Qiao Shi, head of the Organization Department of the Central Committee of the Chinese Communist Party.

The new measure will be gradually pushed in other factories and business establishments. This will mark a break away from the present virtually life-long service for those in top management, Qiao Shi said at a national meeting on strengthening leading bodies of the enterprises.

The term of office for factory directors in general lasts four years, according to provisional regulations concerning work and responsibility of state-owned factory directors. They may continue to hold their posts upon expiration if endorsed by the workers' congress of a given plant. They may submit resignation when proven to be incompetent, or be removed from office through legal procedures by the workers' congress.

China has carried out a series of reforms over the past few years in the industrial enterprises aimed at streamlining management and achieving better economic results. This has paved a way for introducing the new system which will keep the contingent of factory leaders young and full of vitality.

NEW COMMUNICATIONS MINISTER ON FUTURE PLANS

HK250905 Beijing ZHONGGUO XINWEN SHE in Chinese 0105 GMT 23 Aug 84

[Interview with Qian Yongchang, newly appointed minister of communications, by ZHONGGUO XINWEN SHE reporter Tian Huiming: "An Assignment at the High Tide of Reforms" -- ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 23 Aug (ZHONGGUO XINWEN SHE) -- Infected with a love for the sea, he has spent 21 years at sea and visited almost all China's and the world's major ports. He knows the exact number of berths at Rotterdam Port and what enterprises are on the shores of Tokyo Bay. He was one of the earliest graduates of the Dalian Merchant Marine Institute. He has been a crew member, a quarter master, and a deck master. In addition, he has successively held the posts of section chief, manager, bureau chief, and vice minister.

Today, at a time when China is vigorously carrying out reforms, the 51-year-old Qian Yongchang has been appointed China's minister of communications. After assuming office, this newly appointed minister immediately carried out "reforms" in his office by ordering the installation of minicomputers in the offices of the minister and the three vice ministers. They can now store complicated dynamic data, statistical data, important documents, and so on, and have it available whenever they need it, and can thus work more efficiently. Recently the minister of communications and the three vice ministers have devoted much time to training and they have learned to operate the computers.

A few days ago Qian Yongchang personally granted an interview to a reporter of this news agency at his office.

It goes without saying that the topic of their conversation was the "reforms." Qian Yongchang gave an example: The Ministry of Communications is directly in charge of 15 major ports. Each day hundreds of ships call at the ports or depart. It is the ministry's duty to know the kind of goods carried by each ship. Some ministers personally attend to everything, be it an important matter or a trivial one. How can they improve efficiency in this regard? He strongly advocates the principle of "simplifying administration and delegating power" and calls for the gradual transition of the work of the Ministry of Communications in the direction of paying close attention to such administrative work as the formulation of overall plans, making laws governing communications, and guidance through policies in order to more satisfactorily fulfill its role as a functional governmental department. It is necessary to separate government administration from enterprise management and to gradually delegate the power to manage the ports to the key cities. In this regard, Tianjin Port has already launched a pilot project. In addition, it has employed Sachio [Yukio] Torii, of Japan's Kobe Port, as its overall adviser. It is said that Japan's Osaka Port is going to help Shanghai with its technical transformation. We welcome all this.

Qian Yongchang said: Reform means a need to make the policies less restrictive, to end the situation characterized by the independent and separate management of ports, highways, capital construction, and shipping, and to encourage competition. We allow foreign businessmen to jointly invest money in building ports and managing them with China. At present some foreign businessmen have asked to be allowed to take part in building the new port area at Dayao Wan, Dalian City, and to invest money in building a container wharf by the new port area at Luojing, Shanghai. As for our own people, we hope the collectives and individuals expand their fleets of ships and cars so that both the advanced and conventional means of transportation play a positive role. Everything ranging from such big things as container ships with a capacity of 10,000 tons each to such small things as walking tractors, motor junks, and carts pulled by mules should play a part and give full play to their roles in speeding up the development of transportation.

Speaking on further opening the 14 coastal ports to the world, Qian Yongchang said: In the course of accelerating construction of the four special economic zones and the ports of Hainan Island and the 14 coastal cities, the Ministry of Communications bears heavy responsibilities. In drawing up plans concerning the ports, we should thoroughly consider the question of combining them with the new economic development zones under the jurisdiction of the cities to be opened to the world in order to create favorable conditions for investment and to arouse foreign businessmen's interest in investing money. The Ministry of Communications will hold meetings with them to discuss the plans for building the ports.

Qian Yongchang said that he received "an assignment at the high tide of reforms" and that he was "charged with an historic mission in an historic period." He said "From now until 1990 is an important period during which China will develop its communications. In the area of inland navigation, 10 regional navigation networks on the three rivers (the Chang Jiang, the Zhu Jiang, and the Heilong Jiang) and the two other rivers [the Huai He and the Beijing-Hangzhou Grand Canal] as the trunk navigation routes are to be built. As for highways, it is necessary to build the Guangzhou-Shenzhen, the Beijing-Tianjin-Tanggu, and the Shenyang-Dalian expressways and to build high-standard, unimpeded highway networks in the hinterlands of the 14 coastal cities to be opened to the world.

Finally, Qian Yongchang said: "At present China has more than 150 deep-water berths. By 1986, the number will become 200. We are going to build another 100 deep-water berths in the Seventh 5-Year Plan period. Port construction is one of the priorities in our work. We must make it a success and we have confidence we shall do so."

FURTHER ON ECONOMIC LEGISLATION CONFERENCE

Gu Ming on Regulations

OW240328 Beijing XINHUA in English 1529 GMT 24 Aug 84

[Text] Hangzhou, August 24 (XINHUA) -- China has promulgated 107 laws and regulations governing foreign economic activities in the past five years. Of these, 12 were issued by the National People's Congress or its Standing Committee, 51 by the State Council and 30 by the ministries and commissions under the State Council. China's four special economic zone in Guangdong and Fujian Provinces also enacted 14 local regulations in this respect.

This was disclosed here today by Gu Ming, head of the State Council's economic legislation research center and deputy secretary general of the State Council, in his report to the on-going second national conference on economic legislation.

Gu said these laws and regulations have been of great help in the implementation of the country's policy of opening to the outside world, and have been playing a positive and stimulating role in China's efforts to utilize foreign funds and investment. From 1979 through 1983 China used 11.86 billion U.S. dollars in loans from foreign governments and international financial organizations in the construction of 41 big projects.

China also put to use 2.62 billion U.S. dollars of direct foreign investment for 188 joint ventures, 1,047 cooperative enterprises and 23 cooperative exploitation items. Also benefiting were independent foreign enterprises and compensation trade projects. In addition, China signed 18 agreements in 1983 with 27 companies and corporations of foreign countries to explore petroleum deposits in 25 offshore areas, involving total investment of 1.03 billion U.S. dollars.

The above facts show, Gu said, that these laws and regulations have effectively expanded economic and technical exchanges and cooperation with foreign interests, and protected both China's sovereignty and economic interests and the legitimate rights and interests of foreign enterprises, economic groups and individuals.

Gu called for strict implementation of these laws and regulations. Localities are not allowed, in violation of these laws, to reduce at random state taxes, change state-defined foreign exchange rates or sign agreements or contracts that would harm the state's prestige or interests, he said. Breaking agreements and contracts, in disregard of the legitimate rights and interests of foreign investors, or without giving consideration to international norms, should also be prevented, Gu said.

On Foreign Investors

OW272154 Beijing XINHUA in English 1601 GMT 27 Aug 84

[Text] Hangzhou, August 27 (XINHUA) -- China's foreign trade legislation should help attract foreign investment and aid imports of advanced technology and management methods in accordance with the principle of mutual benefit, State Councillor Gu Mu said here today.

Addressing the closing ceremony of China's second national conference on economic law, Gu said that the interests of foreign investors should be taken into account properly and protected. All Sino-foreign economic exchanges and cooperation should be carried out strictly in line with law.

Economic legislation has played an important role in implementing the country's general policy of enlivening its domestic economy and opening to the outside world, he said. But, existing legislation was far from perfect, he added, especially in foreign economic activities. A national law or regulation was urgently needed for China's four special economic zones and its future economic development areas in the fourteen coastal cities recently opened to foreign investment.

China's civil code, commercial law, labor law, foreign investment law and corporate law must meet the increasing needs of foreign investors, he said. "As an activist in economic law," Gu said, "I'll fully support the specialists who devote themselves to the improvement of the country's economic legal system. I'll join you in your efforts to attain your goal," he said.

Today's session also saw the establishment of the China economic law research society. The organization is headed by Gu Ming, deputy secretary general of the State Council. Gu Mu was named honorary president.

[Beijing XINHUA Domestic Service in Chinese at 1609 GMT on 27 August carries a similar report on the conference in which it says: "Wang Fang, secretary of the Zhejiang Provincial CPC Committee, turned up at the conference to offer his congratulations."]

SECOND PATENT LAW AGENCY OPENED IN SHANGHAI

OW241120 Beijing XINHUA in English 1052 GMT 24 Aug 84

[Text] Beijing, August 24 (XINHUA) -- An agency on patent law, the second in China, has been launched in Shanghai with the approval of the State Council, the Chinese Patent Office announced today. The agency, which employs 40 legal workers and sepcialists, will help foreign firms apply for patents in China, and Chinese units and individuals apply for patents abroad. The first patent agency was the China Council for the Promotion of International Trade designated by the State Council.

Priority to Foreigners

OW251244 Beijing XINHUA in English 1206 GMT 25 Aug 84

[Text] Beijing, August 24 (XINHUA) -- Foreigners will be given priority on applications for patent rights in China, it was announced here today. Foreign patent applicants, when filing applications for patent in China (after April 1, 1985), may claim priority of the application first filed in a foreign country after October 1, 1984. A new Chinese patent law promulgated earlier this year is due to go into effect on April 1, 1985.

China hopes to encourage more foreigners to apply by accepting their patent bids ahead of schedule, said Huang Kunyi, director of the China Patent Office. The move is also aimed at speeding imports of advanced technology to boost the Chinese economy, he added.

NOTICE ON REPAYMENT OF FOREIGN BANKS' DEBTS

OW271341 Beijing XINHUA Domestic Service in Chinese 0918 GMT 27 Aug 84

[Text] Beijing, 27 Aug (XINHUA) -- Public notice on settlement of outstanding debts of Overseas Chinese and foreign banks in China (dated 27 Aug 1984).

With the State Council's approval, the State Foreign Exchange Administration and the Bank of China have been authorized to handle the settlement of outstanding foreign currency debts incurred in China by Overseas Chinese banks and foreign banks (including those banks in China which have been closed down or liquidated according to law). In this connection, the following public notice is issued:

1. Settlement of all foreign currency debts incurred by Overseas Chinese banks and foreign banks in their operations in China prior to liberation or in the early postliberation period should be handled in accordance with the pertinent regulations, promulgated by the State Council in December 1982, "on designating the Bank of China to repay to creditors those unfrozen U.S. dollar assets that have been recovered from the United States."

2. All outstanding foreign currency debts incurred by Overseas Chinese banks and foreign banks in China referred to in Article 1 of this public notice should be verified and repaid to creditors by the Shanghai Branch of the Bank of China.

3. Creditors should register with the Bank of China's Shanghai Branch by presenting proper evidence of their unrecovered assets. The period for making such registration and claiming repayment runs from 1 September 1984 through 31 August 1985. If the creditors fail to present proper evidence for registration with the Bank of China's Shanghai Branch or to obtain repayment within the prescribed period, they will forfeit all rights to have such claims settled. All money that is not repaid to creditors should be turned over to the Central Treasury by the Bank of China's Shanghai Branch.

4. If any money of the foreign currency debts referred to in Article 1 of this public notice has not been transferred to the Shanghai Branch of the Bank of China by the other banks concerned, the creditor who has made registration will not receive repayment until he has been notified by the Bank of China's Shanghai branch after transfer of the money. If he fails to contact that branch for repayment within 6 months from the date of such notification, the money will be turned over by that branch to the Central Treasury.

State Foreign Exchange Administration

Bank of China

HONGQI EXPOUNDS ON HARM OF 'IDLE TALK'

HK250455 Beijing HONGQI in Chinese No 15, 1 Aug 84 pp 40-41

[Article by Shi Youxin: "'On Gossip'"]

[Text] Some people like to spread "idle tales." "Idle tales" differ in degree from rumors, but their effects are the same. Almost no one with the courage to carry out reforms has escaped this "evil" that is more of a nuisance than a fly! Disgusting as it is, it will not fade out of the scene.

Some of those spreading "idle tales" are prompted by jealousy. As the saying goes: "I have failed. I may as well make you fail even more miserably!" It seems that by underrating others, a person can shine brighter in his field and be the center of attention as a "skilled person." Some exploit the spreading of "idle talk" as a means to attain certain goals. Some use "idle talk" as conversation to vent their own dissatisfaction! Still others delight in eavesdropping and spreading others' secrets and personal stories. Obviously, "idle talk" is improper in its origin, form, and circulation. It is not something aired openly as a view. It is something said to hurt or slander others and is a groundless fabrication. Or it is a matter of attacking something taken out of context or magnifying something trivial and unimportant, or overstating things by presenting a melon seed as a watermelon, or a cat as a tiger. "Idle talk" originates from the selfish nature of small producers and bourgeois liberalization. It is a grave, evil trend.

"Idle talk" is a gust of wind running counter to the line and general and specific policies carried out by our party. It is frost to the tender buds of those new things. It is cold water poured on those with the desire to get ahead or who have achieved something. It is a corrosive, weakening unity among the revolutionary ranks. At a time when there is an urgent need to promote large numbers of skilled personnel in our cause, "idle talk" can only serve as interference, causing cherished skilled personnel to be left out for appointments and to even suffer rejection and blows. At a time when there is an urgent need for reform, "idle talk" can only have the effect of preventing the implementation of many measures seeking to promote the good and eliminate the bad, delaying the affirmation of good typical examples in reform, and even causing the latter to be condemned and discouraged.

The harm of "idle talk" often has to do with our comrades and especially certain leading comrades dreading it and taking it at face value. Often in real life, some of our comrades in charge of leadership work, in the face of "idle talk," show a lack of firmness and even change their original plans, consciously or unconsciously yielding ground. What are they afraid of? One of their worries is said to be that by ignoring idle talk they may be accused of not listening to the views of the masses. But are those "idle tales" really the actual views of the masses? No. They are mostly things that cannot pass study and investigation, or cannot stand exposure to the sunlight. We must not listen to such idle tales and must instead resist them. This is entirely different from failing to listen to the views of the masses. We cannot lump the treatment of "idle tales" with the treatment of mass views.

Another reason why "idle talk" is feared has to do with work style, lack of attention to study and analysis, and failure to distinguish between what is genuine and what is false. If we become deeply involved with reality and become thoroughly acquainted with things, it will be quite clear that it is not difficult for us to make an objective assessment of people and of objects and to form correct judgments on what new creations should be cherished and what ways of doing things should be affirmed. Thus, no matter how those "idle tales" put things in vivid and glowing terms, we can still remain clear-headed and not be swayed.

The fear of "idle talk" on the part of certain leading comrades has to do with their incorrect way of thinking. "No one is perfect." In real life, "idle talk" is often making a big issue of something inconsequential related to a certain person in a certain matter. It is often exaggeration or overstatement. It is actually asking what is required of "a perfect person." It seems that by doing so, the author of "idle talk" can cast himself in the role of someone "perfect!" Under these circumstances, the leading comrades cannot avoid being victimized and swayed by "idle talk" if they are not good at making an overall analysis of the person and the matter concerned and if they treat it from a metaphysical viewpoint.

To be unafraid of "idle talk" calls for guts and drive. In doing things, we cannot have cold feet, torn between fears of dragons in front and tigers in back and disturbed by the slightest sound of wind as the threat of a rainstorm ahead. Before making a decision, we must make adequate investigations and studies and listen to views from all quarters. We cannot make a hasty decision. But once made, it should not be casually dropped without sufficient grounds. Otherwise, if upon hearing "idle talk" we immediately change our course, playing fast and loose, we would end up getting nothing done. Where do guts and drive originate? They are generated only by a profound understanding of the party line and general and specific policies, firm confidence in the realization of the main task of modernization, and a high sense of responsibility toward the people.

What should those comrades who are the targets of "idle talk" do? They should not be afraid and neither should they be swayed by it. Those comrades involved are in different posts and are made the butt of "idle talk" for different reasons. But they probably share a common trait. These comrades are mainly credited with having achieved something or having destroyed the old and created the new. This explains why people often say: "Trees that thrive and form a forest always run the risk of being destroyed by windstorms." There is no denying that in individual units, "idle talks" may produce a certain effect for a period of time. But this will pass. "Idle talk" must ultimately give way to the truth. It should be noted that the line and general and specific policies defined since the 3d Plenary Session of the 11th CPC Central Committee have left a deep imprint on people's minds. All versions and approaches that run counter to them cannot last long. Any new project undertaken at any time will run into obstacles.

If we are afraid of "what people say" and have "cold feet," we will end up accomplishing nothing. On the contrary, we should have firm faith in what is correct and stick to our guns. Only in this way can we accomplish something big. Wang Anshi, a statesman of the Song Dynasty, put forth the idea: "Don't take gossip seriously." He carried out reforms in spite of the opposition of the conservative forces. How can it be that we Chinese Communists and other informed people in the 1980's still lack the drive of Wang Anshi and dread a few "idle tales" in carrying out the great cause of modernization?

In an era when reform is sweeping us with its strong force, we are too busy to bother about those "idle tales." It is especially not right that we should feel disturbed by a few "things said" and lapse into a state of passivity. In the preface to "Das Kapital," (Book I), Marx aptly said: "Every opinion based on scientific criticism I welcome. As to the prejudices of so-called public opinion, to which I have never made concessions, now, as before, the maxim of the great Florentine is mine: 'Follow our own road and let others say what they want to.'" We should learn from Marx.

LEADERS WRITE INSCRIPTION FOR TECHNOLOGY CENTER

OW251830 Beijing Domestic Service in Mandarin 1000 GMT 25 Aug 84

[Text] The Haihua New Technology Development Center was inaugurated in Beijing on 25 August. The center is an economic organization that will promptly turn scientific and technological information into productive forces and material products. It is jointly run by the Qinghua University and Haidian District of Beijing Municipality.

As a people-run organization with government assistance, it will bring into play the potentials of Qinghua University teachers, alumni of the school both at home and abroad, and the scientific and technical forces of various circles of the society. At the same time, it will take advantage of the high density of intellectuals in Haidian District to open up a road of organically combining education, scientific research, industry, and the market. It will strive to introduce and popularize the latest Chinese and foreign technologies and products as soon as possible, in a principle of attaching importance to both economic and social benefits, in order to satisfy the needs of China's socialist modernization. It will deal with electronics, microcomputers, light industry, energy, chemical engineering, instruments, automation, architectural designing, system engineering, and special products.

Party and state leaders Xi Zhongxun, Bo Yibo, Ji Pengfei, and other comrades wrote inscriptions for the Haihua New Technology Development Center.

FIRST METEOROLOGICAL SATELLITE LAUNCH EXPECTED

OW251241 Beijing in Mandarin to Taiwan 0400 GMT 25 Aug 84

[Text] A spokesman of the Central Meteorological Bureau revealed in mid-August that China was expected to launch its first meteorological satellite shortly, and that three ground receiving stations equipped with Chinese-made electronic devices were nearly completed. This shows the meteorological work of our country is entering into a space era.

At present, upwards of 60 weather forecast centers are using Chinese-made equipment to receive satellite meteorological charts from the United States and Japan. There are 200 meteorological radars presently in use in our country, exceeding the number of such devices in use in any other country in the world. Ever since 1970, our country has been able to make timely forecasts of typhoons. Our country will make accurate weather forecasts 7 to 10 days earlier than its present forecasts by applying large high-speed electronic computers capable of 100 million calculations per second.

PLA COMMENDS ADVANCED CYL ORGANIZATIONS

OW261806 Beijing Domestic Service in Mandarin 1000 GMT 24 Aug 84

[Text] The PLA General Political Department on 23 August issued a circular commending 55 advanced CYL organizations and conferring the advanced CYL Work Committee [tuan gong wei] pacesetter title on the CYL Work Committee of the artillery regiment under a unit of the Lanzhou Military Region.

The circular says: Their deeds and experience show in a concentrated way the new progress made by our Army in youth work since the 3d Plenary Session of the 11th CPC Central Committee, and the new image of the broad masses of CYL members and youth who are striving to make progress. Their deeds and experiences have answered many new questions on how to promote youth work in the new situation. They have set an example for all CYL organizations in the PLA to follow.

The circular calls on all CYL organizations and the cadres doing youth work in the PLA to learn from these advanced units with an open mind, strive to make youth meet the new situation of reform, and actively create a new situation in youth work.

SYMPOSIUM ON SHELTER-BELTS HELD IN XINJIANG

HK271224 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 26 Aug 84

[Text] The on-the-spot symposium on building farmland shelter-belts in northeast, north, and northwest China, being held by the Ministry of Forestry, opened in Hotan on 23 August.

The tasks of this symposium are to seriously implement the instructions of the CPC Central Committee and the State Council on penetratingly and thoroughly launching the drive to afforest our country and to implement the spirit of the speeches of leading comrades of the central authorities on growing grass and trees and getting rich. The tasks also include on-the-spot investigations, exchanges of experiences, and study of the problems in building farmland shelter-belts and improving the quality of building.

The representatives attending the symposium come from 12 provinces, municipalities, and autonomous regions in northeast, north, and northwest China, from all ministries and commissions of the central authorities, and from relevant scientific research, education, and press units.

Over the past few days the representatives have inspected farmland shelter-belts in two counties -- Hotan and Lop -- and windbreak and sandbreak belts and [words indistinct] on floodland, sandy shores, and shoals.

DELEGATES TO POPULATION FORUM RETURN HOME

OW241638 Beijing XINHUA in English 1443 GMT 24 Aug 84

[Text] Beijing, August 24 (XINHUA) -- The Chinese National People's Congress delegation led by Qian Xinzong to the international parliamentarian's conference on population and development held in Mexico returned here this evening.

The delegation was met at the airport by Hu Jiwei, vice-chairman of the education, science, culture and public health committee of the National People's Congress, and Yan Mingfu, deputy secretary-general of the NPC Standing Committee.

ANHUI'S HUANG HUANG ON SPECIALIZED HOUSEHOLDS

OW241245 Hefei Anhui Provincial Service in Mandarin 1100 GMT 23 Aug 84

[Excerpts] Huang Huang and Yang Haibo, secretary and deputy secretary of the Anhui provincial party committee, on 20 and 21 August received all the comrades attending the theoretical symposium now being held in Hefei to discuss matters concerning households engaged in specialized production and new economic complexes [jing ji lian he ti]. They also addressed the meeting, which was also attended by representatives of households engaged in specialized production.

Addressing the participants in the provincial party committee hall on the afternoon of 20 August, Comrade Huang Huang said: Guided by the CPC Central Committee's Documents No 1 and No 4, Anhui's economic development in the urban and rural areas has been steady and gratifying since the beginning of the year. The development of township- and town-sponsored enterprises has been particularly significant. We must treasure and develop this good situation, and continue to enliven our economic work.

Comrade Huang Huang urged the participants to review Anhui's experience in developing households and villages engaged in specialized production from a theoretical as well as practical point of view, and to study the theoretical basis for achieving a new breakthrough in the province's agricultural development.

On the afternoon of 21 August, Comrade Yang Haibo received the representatives of households engaged in specialized production. (Chen Jusheng), who is engaged in forestry production, said that the four modernizations should not be carried out at the expense of the landscape. Comrade Yang Haibo replied: Anhui's mountains and rivers have great economic potential. The development of mountain and aquatic resources has just begun, but there should be a new way of developing forestry resources in the mountains. Besides the influence of leftist ideas, which still exists, there are also administrative problems. How can management be efficient when a county timber company is staffed by more than 100 people and when the marketing of timber is controlled by several departments? Policies must be further relaxed, and administration reformed. There should be a more comprehensive plan for developing our forestry resources so that forestry production can be enlivened.

Comrade Yang Haibo added: Households engaged in specialized production are a new development with great vitality. It is another major breakthrough in the countryside following the adoption of various systems of responsibility in agricultural production. We believe that more new developments and breakthroughs will occur in the countryside. We must fully realize the important role of households engaged in specialized production in building a socialist rural economy with distinctive Chinese characteristics. All trades and professions must warmly support and foster this new development.

On how to further enliven the rural economy and bring about a more prosperous countryside, Comrade Yang Haibo said: We must not follow a single pattern in promoting rural economic development.

Rural economic development should take all kinds of forms and take place on all kinds of scales. Households engaged in livestock breeding should consider operating their enterprise as a specialized and technology-intensive enterprise. All our counties should open their doors and not isolate themselves. They should try to bring in outside capital, including capital from other provinces, and make great efforts to sell their products to other localities. Only when we enliven our economy can we become more prosperous.

We must encourage all townships and towns to set up enterprises and household industries to pave the way for eliminating the difference between cities and the countryside in the future. The key to developing households engaged in specialized production and economic complexes lies in management and personnel. All specialized households and economic complexes must strive to make themselves centers for training needed personnel. In the future, we will also consider assigning college students to work for these households and complexes.

On the future development of households engaged in specialized production, Comrade Yang Haibo said: Some households' annual output has now reached several hundred thousand yuan each. These households should not be satisfied with their achievement. They should strive to make more money and not be afraid of becoming affluent, because they are still far from being rich. Several hundred thousand yuan is not that much. They should strive to make 10 million yuan or more. The important thing is to sum up their experience and not to worry about making mistakes, so long as they are willing to correct them.

FUJIAN'S XIANG NAN ADDRESSES MILITIA MEETING

OW251249 Fuzhou FUJIAN RIBAO in Chinese 10 Aug 84 p 1

[Text] "The principle of reform must be adhered to in the militia and reserve duty work. It is necessary to give this work importance on the agendas of party committees at various levels, regard publicizing the military service law as a powerful motive force in arming the people, make the county People's Armed Forces Department an educational training center for militiamen, and turn militia organizations into a big school, not only for militiamen but also workers and peasants," said Comrade Xiang Nan in a speech at a meeting of first political commissars of all military subdistricts and People's Armed Forces departments of cities directly under the province, which was called by the provincial Military District on 9 August.

After analyzing the international situation and Fujian's position, Comrade Xiang Nan pointed out: When doing economic work, we should not forget militia work. Under the new situation, militia work can only be intensified and not slackened. The key to a successful job in the militia and reserve duty work lies in reform. It is necessary to carry forward the glorious tradition and at the same time propose new ideas. We must find the way most suitable for us and refrain from following the same old pattern, whipping up a gust of wind, or doing things uniformly.

Touching on the strengthening of leadership over reform, Comrade Xiang Nan reiterated the duties of first political commissars, which had been outlined at a meeting 2 years ago. He stressed: First political commissars must discuss both administrative and military affairs and take care of both civilian and army work. They must concentrate their efforts on carrying out the party's central task and at the same time pay keen attention to the militia and reserve duty work.

Comrade Xiang Nan praised the contribution made by the militiamen in the province to the building of the "two civilizations" and called on them to bring into further play their leading role in this building. He urged newspapers and radio stations to frequently publicize model examples and advanced individual militiamen.

Provincial Military District Political Commissar Lin Zhize gave a briefing at the meeting on the militia and reserve duty work in Fujian in the past 2 years and on future tasks. Provincial Military District Commander Lu Fuxiang presided over and spoke at the meeting.

Attending the meeting were first political commissars and commissars of all military subdistricts and People's Armed Forces departments of cities directly under the province, responsible comrades of some prefectural and city party committees, and responsible comrades of the provincial party committee's Organization Department. They discussed the speeches by Comrades Xiang Nan and Lin Zhize and studied concrete measures for strengthening and improving the militia and reserve duty work.

XIANG NAN, FUJIAN PLA INSPECT ARMY-PEOPLE WORK

OW260344 Beijing XINHUA Domestic Service in Chinese 1435 GMT 24 Aug 84

[By FUJIAN RIBAO reporter Wang Zuomin and XINHUA reporter Xu Yiming]

[Text] Fuzhou, 24 Aug (XINHUA) -- Responsible persons of the Fuzhou Military Region Jiang Yonghui and Fu Kuiqing and the First Secretary of the Fujian Provincial CPC Committee Xiang Nan recently inspected the joint army-men-civilian campaign to build a spiritual civilization in Quanzhou, Jinjiang, and Nanan, which are the native towns of many Overseas Chinese. They called on the army-men and the people to give importance to ideological education and raise the joint army-men-civilian campaign to a higher level.

With the launching in recent years of the joint army-men-civilian campaign to build a spiritual civilization, more than 100 units in the urban and rural areas of these regions have participated in the joint campaign, and the standards of social conduct there have become much better. The leading comrades of the Fuzhou Military Region and the Fujian provincial party committee visited Shishi, Qingyang, Chendai, and Meishan towns and townships and praised the achievements of a number of advanced neighborhoods and factories participating in the campaign. The leading comrades pointed out: We should pay great attention at this time to popularizing the experiences of advanced units throughout the area and strive to make the environment, public order, and service of these native towns of Overseas Chinese better. We should shift the emphasis of the campaign from one of tackling the problems of dirtiness, disorder, and poor service to one of ideological education.

During their inspection tour in Guanzhou they pointed out: Quanzhou is a famous native town of Overseas Chinese as well as an old cultural city. Many people have come to Quanzhou to visit their relatives and friends or just to see the sights. The standard of social conduct in an Overseas Chinese native town is an important factor in the city's image. In the course of the joint campaign, we must thoroughly and meticulously work at propaganda and education to foster a good general atmosphere in society. During the inspection, the responsible comrades of the Fuzhou Military Region and the Fujian provincial party committee encouraged the Army to play an exemplary role and create even better relations between army-men and people and between the Army and the government so that Army units and local governments respect, support, and show concern for each other, and that the traditions of the Army cherishing the people and the people supporting the Army will continue.

NANJING PLA AIRMEN NEGATE CULTURAL REVOLUTION

OW250627 Nanjing XINHUA RIBAO in Chinese 12 Aug 84 p 1

[Text] "XINHUA RIBAO report": "It is necessary to completely negate the 'Great Cultural Revolution' in theory, practice, and mentality, and eliminate its influence thoroughly." This was an appeal made to all party members by Zheng Zhubo, political commissar of the Air Force of the Nanjing PLA units, at a meeting on complete negation of the "Great Cultural Revolution" on the morning of 3 August.

The Nanjing PLA Air Force was a "severely afflicted unit" during the "Great Cultural Revolution." Its former political commissar, Jiang Tengjiao, followed the Lin Biao counterrevolutionary clique, and was one of the ten prime culprits.

He did much harm to the organs and units of the Nanjing PLA Air Force during the "Great Cultural Revolution." Since the downfall of the "gang of four," the Nanjing PLA Air Force has done much work in setting things right and eliminating the remaining pernicious influence of the "Cultural Revolution," and has brought about a new situation in Air Force building. However, a small number of comrades still do not clearly understand the need to completely negate the "Great Cultural Revolution." The party committee of the Nanjing PLA Air Force therefore has taken the lead in this task. It has paid attention to three aspects:

1. It theoretically and completely negates the viewpoint of "continuing the revolution under the dictatorship of the proletariat." After separately analyzing seven major viewpoints in the theory of "continuing the revolution," the committee members clearly understand that the theory of "continuing the revolution" confuses enemies with comrades, confounds right and wrong, violates basic Marxist-Leninist principles, departs from the scientific system of Mao Zedong Thought, and contradicts the objective realities of Chinese society. The analysis has made them know clearly the erroneous essence of the "Great Cultural Revolution."
2. The committee members discuss the practical harm of the "Great Cultural Revolution." They guide the party members in discussing the harm to the party and the state, to PLA building, and to the progress and growth of the Nanjing PLA Air Force and individuals. They use many hard facts to explain that the "Great Cultural Revolution" was neither a revolution nor social progress in any sense, because it confused people's minds, undermined party organization, upset normal social order, pushed the national economy to the verge of collapse, and had every disadvantage and no advantages at all. The explanation has made the party members clearly understand that the "Great Cultural Revolution" was indeed an internal disorder and a disaster.
3. They have drawn a clear line of demarcation between their own mentality and the "Great Cultural Revolution." In view of a small number of comrades' confusion and erratic viewpoint, the party committee of the Nanjing PLA Air Force has emphasized the necessity of solving three questions. First, it is necessary to know that both rival factions involved in the "support-the-leftists" work were erroneous, and it is necessary to eliminate factional influence completely. Second, it is necessary to have the courage to negate the "three supports and two militaries" task and fully understand the harm done to various localities and the Army. Third, it is necessary to understand clearly that our economic, scientific, and technological achievements during the "Great Cultural Revolution" were the result of the struggle of the broad masses of party members and the people against Lin Biao and the "gang of four," rather than the result of the "Great Cultural Revolution." The party committee has guided the party members in discussing these questions individually, presented facts, and reasoned things out. It has thus clarified some comrades' confusion, further eliminated "left" thinking and remaining factional influence, strengthened party spirit, achieved closer unity among comrades, and enhanced their awareness of the need to keep an ideological and political unity with the party central committee.

JIANGSU PLANS WINTER MILITARY CONSCRIPTION

OW270553 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 24 Aug 84

[Text] From 21 through 24 August, leading comrades of the people's governments of all cities, military subdistricts and departments concerned in Jiangsu were summoned by the Jiangsu Provincial People's Government and the Jiangsu Provincial Military District to study and plan the province's conscription work this winter. Li Zhizhong, advisor to the provincial government, and Yue Dewang and Zhen Shen, respectively political commissar and commander of the provincial Military District, addressed the meeting.

Jiangsu's winter conscription will be carried out in accordance with the newly promulgated conscription law. People's governments and departments concerned at all levels are urged to earnestly and resolutely implement the new law and help the broad masses of young people understand the relationship between national defense and economic construction. They are also urged to help the young people understand the role of the Armed Forces in national construction and help them understand that it is a citizen's sacred responsibility and obligation to fulfil his military service.

The winter conscription work this year will be further reformed on the basis of last year's operation. Measures of improvement include:

1. Enlistment will be carried out in a broader scope in the province, and certain localities will be designated for voluntary registration;
2. Efforts will be exerted to streamline registration and other preconscription preparatory work; and
3. Additional bases for training specialized and technical servicemen will be built, and old bases will be improved.

ELIMINATING GREAT DEMOCRACY URGED IN SHANDONG

SK270630 Jinan Shandong Provincial Service in Mandarin 2300 GMT 24 Aug 84

[DAZHONG RIBAO commentator's article: "Such Logic Gets Nowhere"]

[Excerpts] The Great Cultural Revolution, regarded as a disturbance, has been done from the political stage of our country for many years. But thus far we still can see various customs it has handed down. Great democracy, with its characteristic of creating a disturbance that appears and disappears, is one of the customs left over from the Great Cultural Revolution.

The article pointed out: Those who create disturbances have a kind of logic, that is, to solve a problem is to create a disturbance. Do they create disturbances on the basis of the seriousness of problems? Is this how things stand? No, the facts are just the opposite. Some people often create disturbances just because of problems concerning cadre promotion, promotion, wage readjustment, certificate issuance, housing, and cash awards. Can we solve these problems by creating disturbances? During the 10-year internal disorder, when anarchism ran rampant, those who stirred up serious troubles were regarded as the revolutionary party and heroes going against the tide and gained benefits. Such a philosophy of creating a disturbance gets nowhere today. This is because the time when the people confused truth and falsehood is over, and the cause of our party has progressed to a path of sound development.

The article also pointed out: There are roughly two categories of persons engaged in creating disturbances. One category of persons has no idea of the legal system and is influenced by the anarchic great democracy. Another category of persons includes those who created disturbances during the Great Cultural Revolution. They did not correct their bad habits, desire to stir up trouble, and look for opportunities to interfere in the construction of the four modernizations. We should help the former category to thoroughly eliminate their baneful influence left over from the Great Cultural Revolution and to strengthen their sense of the legal system. We must enforce party discipline and state law with regard to the latter category, especially those who refuse to mend their ways despite repeated admonition and those who cause serious damage to the party and the people.

The article pointed out, in particular, that some people make up ridiculous reasons to create disturbances, such as flaunting the banner of resisting bureaucracy. We are carrying out party rectification to expose and solve the bureaucratic problems that exist in the party.

However, we must understand that the bureaucracy we oppose involves the corruptive practices of regarding the benefits and weal and woe of the people as trifling matters and neglecting one's duties and responsibilities. But those who create disturbances only seek private gains for themselves and small cliques. They adopt wrong ways and means to interfere in the normal work of the party and the government. Their stress on resisting bureaucracy is essentially different from ours. The article concluded: In thoroughly negating the Great Cultural Revolution, we must thoroughly negate its theoretical basis, content, situation, and methods, and various bad habits it has handed down. Great democracy, with the characteristic of creating a disturbance, should naturally disappear from our political and social lives.

SHANDONG DECISION ON CADRE SYSTEM REFORM

SK250635 Jinan Shandong Provincial Service in Mandarin 2300 GMT 24 Aug 84

[Excerpts] In line with the guidelines of directives from the central authorities, the provincial CPC Committee recently decided to reform the cadre management system to appropriately transfer cadre management rights to lower levels and reduce the scope of cadre management in line with the principle of supervising a smaller number of cadres more effectively and flexibly.

In principle, cadres under the supervision of the provincial CPC Committee will be reduced from the next two lower levels to the next lower level. The provincial CPC Committee will administer principal party and government leading cadres of all prefectures, cities, provincial-level departments, institutions of higher learning under the jurisdiction of the provincial government, and some industrial and mining enterprises and establishments. Leading cadres of prefectural- and city-level departments and counties formerly under the jurisdiction of the provincial CPC Committee will be supervised by the prefectural and city CPC committees. Cadres at the section level among provincial-level departments and institutions of higher learning will be supervised by the party committees and leading party groups of the departments and institutions of higher learning. The provincial CPC Committee also readjusted the cadre management system of enterprises and establishments.

All prefectures, cities, and counties and all provincial-level departments should appropriately delegate personnel rights to lower levels and define the scope of cadre management in accordance with the guidelines of the decision of the provincial CPC Committee on cadre management system reform.

As for promoting and appointing cadres, we must boldly take the mass line and insist on the system of democratic recommendation, inspections by cadre administrative departments, and approval through collective discussions by the party committees in order to know them well enough and to assign them jobs commensurate with their abilities. Organizational departments at higher levels must enhance evaluation, examination, supervision, and guidance over the work of organizations at lower levels in appointing and removing cadres and strengthen investigation and study in order to construct well our province's cadre ranks.

In line with the directives of the provincial CPC Committee, the Organizational Department under the provincial CPC Committee has issued a circular concerning questions regarding our province's cadre management system reform and held a session from 21 to 23 August with the participation of directors of organizational departments under the prefectural and city CPC committees and responsible persons of the departments under the provincial-level organs in charge of cadre work. Comrade Feng Lizu, Standing Committee member of the provincial CPC Committee and director of the Organizational Department, made a speech at the session. He proposed specific demands for implementing the directives of the central authority and the provincial CPC Committee and for achieving the work of cadre management system reform.

GUANGDONG APPROVES PEASANTS' SETTLING IN TOWNS

HK270443 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 25 Aug 84

[Text] According to GUANGZHOU RIBAO, on 22 August the provincial People's Government approved the recommendations of the provincial Public Security Department on peasants settling down in towns by making their own grain ration arrangements. It has allowed the peasants who are industrial workers, deal in business, and engage in the service industry to settle in towns by making their own grain ration arrangements.

The recommendations point out that any peasant in the province who is an industrial worker, deals in business, or engages in the service industry can settle with his family in a town by making his own grain ration arrangements, provided that the peasant possesses all of the following qualifications:

First, the peasant must have a permanent dwelling in a town.

Second, the peasant must hold a certificate issued by the county People's Government stating he is allowed to leave his hometown to deal in another trade, as well as hold a formal business license issued by the department concerned. He must also possess the ability to deal in a trade for a long period, or be a contract worker who has been employed by a town enterprise or institution for at least 1 year.

The recommendations urge: When dealing with households that make their own grain ration arrangements, and that close their business, transfer to another trade, or move to another place, the Public Security Office must promptly go through the procedure of transferring their household registration in accordance with regulations. For those with reason to return to their hometown, the district authorities and county People's Government should allow them to register again as agricultural households. Also, they should assign them plots for tilling under the contract system. They are prohibited from refusing registration as agricultural households.

The recommendations point out: We must protect the legitimate rights of households that make their own grain ration arrangements, put them into district residents' administrative groups, and let them take part in the district committees' activities.

OLD CADRES URGED TO TEACH, SUPPORT SUCCESSORS

HK240737 Nanning Guangxi Regional Service in Mandarin 1130 GMT 22 Aug 84

[GUANGXI RIBAO commentator's article: "Old Cadres Must Act as the Teachers, Supporters, and Patrons of the New Ones"]

[Text] In the wake of the full-scale implementation of the structural reform, more and more middle-aged and young cadres have taken up new leading posts, thereby changing the age and knowledge structure of the leading groups. This is a strategic reform in the cadre system to conform to the requirements of the four modernizations. Helping to support the young cadres to become mature has already become an important issue with important bearing on the prospects and destiny of the state. It is also an important historical task with which the old cadres are entrusted by the times.

Those young cadres who have just taken up posts in leading groups at various levels have been promoted in accordance with the principle of being more revolutionary, younger in average age, better educated, and more professionally competent. In other words, their moral character, level of education, capability, and consciousness are outstanding among middle-aged and young people. They are highly creative, and are the leadership leading the people to create a new situation in the four modernizations. However, many of them still lack sufficient experience in leading the work in a comprehensive way.

Furthermore, facing the new situation of reform, they encounter many problems unknown to them. Therefore, it is very important that various sectors of society give them great support. In particular, the old cadres should carefully do well in passing on their experience and assisting and leading the new cadres. In addition, the new cadres themselves must be brave in shouldering this heavy responsibility, act in a bold way, be modest and prudent, and study conscientiously. In particular, they must develop a democratic work style when dealing with differences of opinion, and must improve their skill in practical work.

In the region, there are many old comrades who are well-experienced in leading posts, and who assist the new cadres wholeheartedly and give free rein to their methods of handling matters. In the structural reform, many old cadres have voluntarily stepped down from leading posts and promoted promising young comrades to these posts. The majority of the old comrades who step down from posts or who continue to occupy their posts are even so enthusiastic that they help the new cadres for a short period after letting them take up leading posts. They also pass on their experience wholeheartedly. On important matters, they suggest ideas, and grasp the course of development for the new cadres. On specific matters, they encourage and support the new cadres in handling the work independently. They neither do nothing nor take everything under their control. On rectifying the party work style, they uphold the practice of handling political matters in a principled way and being free from corruption, thereby setting a good example for the new cadres. These old comrades have really become the teachers, supporters, and patrons of the new ones. They fully reflect the breadth of vision and the foresight of the old communists. Naturally, they are respected and praised by the people.

However, some old comrades do not quite trust the new cadres, and do not give them a free hand in their work. They are worried that the new cadres will not do it right or properly. They always take up a matter personally, whether it is an important one or just a trifle, and take the new cadres' jobs into their own hands. It seems they want the new cadres to follow them all the way and imitate their every move, rather than to just promote them to the posts. The intention of these old comrades is good, but the consequence is that the cadres are unable to handle their work independently, which is unfavorable for the replacement of the old by the new and does not allow the new cadres to give play to their capability and create a new situation.

Why is it the old cadres do not quite trust them, and do not give them a free hand in their work? It is simply because they are worried that the new cadres are too young, lack experience, and are unreliable in handling matters. In fact, the new cadres who are being selected were previously the core strength on various fronts. Though they have still not gained enough experience in leading their work in a comprehensive way, they by no means are completely inexperienced. The great majority of them are competent in their present posts. Many of the new cadres are quite old, by no means young. The old comrades may have been even younger than they are when they first took up leading posts. There are many comrades who assumed the office of county magistrate, regimental commander, or division commander in their twenties. Their experience and capability at that time may have been even inferior to those of the new cadres. Is it not the case they have still done their work well?

Experience is the crystallization of time. When a baby learns how to walk, he will quickly master it if we let him fall many times. Only when we allow a new rider to whip his horse on can he learn how to gallop at high speed. Only when we let the new cadres take sole responsibility in handling matters and work independently can they constantly gain experience in the course of time, and gradually become mature leaders.

The practice of the old cadres in passing on their experience, assisting, and leading the new cadres is necessary; while the practice of their taking the new cadres' jobs into their own hands is intolerable. Those old comrades who are not in the first line should no longer involve themselves in approving documents, giving the final verdict at meetings, or acting as commanders. Instead, they should spend more time on investigation and research work and give advice on important matters, while letting the new cadres direct specific matters. The situation requires the old comrades in the region to correctly apply dialectics when passing on their experience and assisting and leading the new cadres to promote the replacement of the old by the new and cooperation between new and old.

Some comrades feel the new cadres are not good. They blame this one for being rash and careless, and say that that one is swollen with pride. Whenever a new cadre makes a mistake, they sneer at him and gloat over his misfortune rather than giving him assistance. Such an attitude is unfavorable to the replacement of the old by the new and to cooperation between new and old. No one is perfect, and not even saints are free of faults. The new cadres also have their own weak points. Thus, it is unavoidable that they make mistakes in their work. We should help them to overcome and correct their weak points and mistakes rather than blame them. When dealing with the new cadres, we must not only stress their weak points while neglecting their strong points; nor must we measure their weak points by our strong points; still less must we regard others' strong points as weak points. What underlies the practice of acting rashly and carelessly is usually the spirit of acting in a bold, vigorous, and brave way. And the attitude of being swollen with pride is usually a reflection of knowing one's own mind, and being willing to use one's brains. It is right that we set strict demands on the new cadres, but it is impractical if we set excessively high demands and ask them to make too much haste. Some problems are knotty ones of long standing which were not solved when the old comrades were on the stage. They also feel that problems newly emerged in the reform are thorny when handling them. So, how can we be divorced from reality and make excessive demands on the new cadres?

Our communist cause can be achieved only by continuously struggling generation after generation. The practices of the old helping the new, the new learning from the old, and the old stepping down from their posts so the new can replace them are inevitable in history. To assist and support the new cadres to become mature is a way of carrying forward a good tradition as well as good party work style. This is an important factor that can ensure that the socialist undertaking will be carried forward and will forge ahead into the future, and that it will grow and flourish. On this issue, we must be far-sighted in our strategic goal, resolutely overcome the narrow view that only focuses on personal gain, and wholeheartedly do well in the work of passing on old cadres' experience and assisting and leading new cadres. The region's new cadres must respect the old comrades while giving play to their initiative and their advantages. They should go all out, vigorously carry out reform, and be bold in making innovations. They should create a new situation by adopting a new attitude. Only in this way can they live up to the people's hopes. With the integration of old and new, we should learn from others' strong points to offset our weaknesses, and complement each other. In this way, our undertaking will be bound to move forward constantly.

HENAN COURTS SENTENCE COUNTERREVOLUTIONARY CLIQUE

HK260557 Zhengzhou Henan Provincial Service in Mandarin 1230 GMT 25 Aug 84

[Text] The intermediate people's courts of Zhoukou and Luoyang Prefectures and Pingdingshan City passed sentences on 5, 10, and 19 July respectively in Linru County of Zhoukou City and in Pingdingshan City on (Zhang Sanyi), (Qiu Liangqing), and (Ren Yuanqing), organizers and leaders, and 15 other counterrevolutionary criminal members of a counterrevolutionary clique known as the Chinese National United Front [Zhonghua Minzu Lianhe Zhenxian].

The chief culprits (Zhang Sanyi), (Qiu Lianqing), and (Ren Yuanqing) were each sentenced to 15 years in jail and deprived of political rights for 5 years. (Qiu Lianqing) was also sentenced to 2 years in jail for harboring criminals, and thus received a total of 17 years' imprisonment. Criminal (Tian Haozhen) was sentenced to 13 years in jail and deprived of political rights for 5 years. Criminals (Wang Xinyan) and (Li Jichuan) were sentenced to 10 years in jail and deprived of political rights for 5 years. Twelve criminals including (Chen Jieshun), who actively took part in this counterrevolutionary clique, were sentenced to jail for terms of 5 years or less and deprived of political rights for 4 years or less. (Hu Yishun), also guilty of harboring criminals, was sentenced to a further 2 years in jail, for a total of 7 years.

The ringleaders and leading members of this counterrevolutionary clique are elements who followed Lin Biao and the gang of four and rose to power through rebellion during the Cultural Revolution. Some were beaters, smashers, and looters; some had gravely factionalist thinking; and a few were dissatisfied with the current situation.

The chief culprit (Zhang Sanyi) was originally a worker of the Zhoukou Prefectural Posts and Telecommunications Bureau. During the Cultural Revolution he formed gangs and factions, rebelled, seized power, and became vice chairman of the bureau revolutionary committee and a member of its party core group. Due to moral depravity, he was dismissed from his post and expelled from the party in 1977. After this punishment, criminal (Zhang) clung to the reactionary stand of Lin Biao and the gang of four and got together with rebel leaders during the Cultural Revolution. Later, he and (Qiu Lianqing), a worker of the Zhoukou City brick works, vented their spleen against the party and people.

The criminal (Ren) was a factional ringleader during the Cultural Revolution. Due to his merits in beating, smashing, and looting, he became vice chairman of the Zhengzhou University Revolutionary Committee and a member of the Standing Committee of the Zhengzhou City Revolutionary Committee. After graduating, he became a member of the Standing Committee of the Linru County CPC Committee, secretary of the county CYL Committee, deputy secretary of the CPC Committee of (Qiling) commune, and so on. He was suspended from duty in 1976 for the crime of beating, smashing, and looting, but was dealt with leniently and not punished as a criminal. Yet criminal (Ren), far from feeling grateful for this leniency, incessantly schemed and dreamed of regaining what he had lost. Therefore, when he learned of criminal (Zhang's) criminal career in Zhoukou, he actively joined in his counterrevolutionary activities.

Criminals (Zhang), (Qiu), and (Ren) respectively organized secret counterrevolutionary contact work in Zhoukou, Pingdingshan, and Linru. They successively recruited (Li Jichuan), (Tian Haozhen), (Wang Xinyan), and (Han Zhenwen), who had risen to power through rebellion during the Cultural Revolution, entrenched themselves in important posts, and were punished after the smashing of the gang of four. Together with (Chen Jieshun), who took part in beating a person to death during the Cultural Revolution and had been released after serving his sentence, they still clung to their reactionary stand, with other elements dissatisfied with the current situation, totalling 22 persons. They organized a counterrevolutionary clique, the Chinese National United Front. They formulated a counterrevolutionary program -- the draft constitution of the Chinese National United Front -- and decided on a leadership core, organizational discipline, and [word indistinct]. They schemed about raising funds for counterrevolutionary activities on many occasions, plotted the dissemination of counterrevolutionary pamphlets, planned to assassinate people with weapons, and schemed other counterrevolutionary tricks. They viciously attacked the party's line, principles, and policies since the 3d Plenary Session of the 11th CPC Central Committee and slandered and cursed the leading comrades of the Central Committee.

They frantically clamored for the overthrow of the ruling party in China, and for the reestablishment of political power at all levels throughout the country. Their reactionary mood was extremely arrogant. Hoards of facts prove that the Chinese National United Front, organized and led by (Zhang Sanyi), (Qiu Lianqing), and (Ren Yuanqing), was a counterrevolutionary clique with an organization, plan, and program aimed at overthrowing the regime of the people's democratic dictatorship and the socialist system. It consisted of a bunch of most dangerous counterrevolutionary elements who stubbornly clung to the reactionary stand of Lin Biao and the gang of four and remained hostile to the people.

Just when these counterrevolutionary elements were stepping up their activities, the public security organs, with the assistance of the masses, obtained a great deal of evidence on their crimes after careful investigation, destroyed this counterrevolutionary clique in good time, and grabbed its members. They have now been punished as they deserve.

HUNAN PEASANTS PUNISHED FOR CRITICAL POSTER

HK270323 Changsha Hunan Provincial Service in Mandarin 1100 GMT 26 Aug 84

[Text] (Tao Zhengyang), a peasant of (Luzhidu) Township, in Taojiang County, and his wife (Xiong Xuechun) put up a big-character poster deliberately slandering judicial cadres. On 18 August, the county People's Court held a public trial and sentenced the couple to 1 month's detention. They were absolved of criminal charges.

In late May, the (Luzidu) Township peasant (Xiong Xuechun) had an argument with her neighbor (Wang Manxiang), which resulted in a fight causing injury. The township government was requested to deal with this case. (Zhou Huiban), the judicial assistant of the township, investigated the facts of the case, and on 2 June accompanied grassroots mediation cadres to talk to the two parties and handle the case this way. Afterwards, (Xiong Xuechun) and her husband (Tao Zhengyang) heard a rumor that the judicial assistant (Zhou Huiban) was a relative of (Wang Manxiang), and suspected that he had not been impartial in handling the dispute. On 7 June, fabricating facts, they wrote two big-character posters which they stuck up on the township grain station and vehicle depot, where they would be seen by many passers-by. The posters vigorously slandered (Zhou Huiban) and seriously affected the normal process of grassroots judicial and mediation work. They produced a very bad effect among the masses.

In order to strictly enforce the law and discipline, after examination the country people's court passed sentence as stated above.

Big-Character Posters Decried

HK270325 Changsha Hunan Provincial Service in Mandarin 1100 GMT 26 Aug 84

[Station Commentary: "Eliminate Cultural Revolution Vestiges, Totally Negate the Four Bigs"]

[Text] The Taojiang County People's Court has punished (Tao Zhengyang) and (Xiong Xuechun) who wrote slanderous big-character posters, thereby strictly enforcing law and discipline. It was completely correct to do this.

The use of big-character posters to slander and frame people was one of the main methods of a few schemers and careerists during the Cultural Revolution in confusing right and wrong. Everyone knows personally the evil consequences arising from the big-character posters during the Cultural Revolution.

However, the Great Cultural Revolution ended 8 years ago, but its vestiges have by no means disappeared. Certain people pay no heed whatever to the new Constitution's abolishing speaking out freely, airing views fully, holding great debates, and writing big-character posters [the four bigs]. If a certain demand of theirs cannot be met, whether it is justified and legal or not, and whether or not the facts are correct, certain people always want to take up the weapon of the four bigs again to meet their individual aims. The action of (Tao Zhengyang) and (Xiong Xuechun) in slandering others with big-character posters illustrates this.

It is evident from this that totally clearing away the vestiges of the Cultural Revolution and negating extensive democracy, including big-character posters, is a major aspect of totally negating the Great Cultural Revolution, which must by no means be neglected.

That we have abolished big-character posters and negated so-called extensive democracy certainly does not mean to say that people are not allowed to make their views known. If people have views on leading cadres, including the handling of cases by judicial departments, they can report them to higher authority by the normal channels and lodge appeals. However, if they adopt the form of big-character posters to create rumors to mislead the masses, launch personal attacks, and frame and slander others, the writers of such posters will be committing the crime of framing and slandering people.

Practice has repeatedly told us that in totally negating the Great Cultural Revolution we must both negate its theory, that is, the so-called theory of continuing the revolution under the dictatorship of the proletariat, and also negate its form, that is, extensive democracy characterized by speaking out freely, airing views fully, holding great debates, and writing big-character posters. We must certainly not allow the practice of writing big-character posters to slander people -- this vestige of the Cultural Revolution -- to raise its head.

HUNAN CPC ACTIVELY RECRUITS INTELLECTUALS

HK260645 Changsha Hunan Provincial Service in Mandarin 2300 GMT 25 Aug 84

[Excerpt] The party organizations in Hunan have seriously implemented the party's organization line for the new period and actively recruited party members among intellectuals since the 3d Plenary Session of the 11th CPC Central Committee. From 1979 to the first half of this year, 33,000 intellectuals in the province joined the party, representing 20 percent of the total number of new party members during the period. There are now 130,000 party members who are specialists and technicians of all categories, representing 26.9 percent of the total number of specialists and technicians.

GUIZHOU UNITS PROMOTE PARTY RECTIFICATION

HK280520 Guiyang Guizhou Provincial Service in Mandarin 2300 GMT 27 Aug 84

[Text] Since party rectification began early this year under the unified coordination of the provincial CPC Committee, the province's first 77 units carrying out party rectification have earnestly studied the documents on it and the important speeches of leading members concerned. They have unified their understanding, eliminated remnants of leftism, promoted an obvious change for the better in the party's style, and have promoted economic construction development and various undertakings.

When the party rectification began, the provincial CPC Committee held, through studying the documents of party rectification, there must be a correct guiding line conforming with the province's actual conditions. This line is to further eliminate the remnants of leftism, to focus around the core of being subject to and serving the four modernizations, to further emancipate minds in continuing to relax the party's policies, to carry out simultaneous rectification and correction of defects, to do a good job in solving the problem of creating a new situation in Guizhou, and improve work in all fields.

As soon as they had grasped the guiding line of party rectification well, the units undergoing rectification decided to run study classes and similar activities, and began discussions incorporating both study and discussion, to enlighten each other and raise the level of understanding. In connection with the actual conditions of their own units, they also investigated the unhealthy tendencies within the party, particularly to conduct investigation and verify the facts about important incidents and cases.

The units undergoing party rectification have also carried out education in the program of the party, party spirit, party style, and discipline, and education in thoroughly negating the Cultural Revolution and the two factions, which has strengthened the party spirit and overcome factionalism.

In the course of party rectification, the provincial CPC Committee has led in examining the problems existing in implementing economic and personnel policies at relevant meetings, and has proposed measures for improvement. The leading comrades of the provincial CPC Committee have also gone to grassroots units to make investigation and study, and to seek the opinions of the lower levels and the masses in depth. Following their example, all the units are changing their ideological style and work style with concrete actions.

After conducting party rectification for more than 6 months, the various units undergoing party rectification in the province have all made plausible achievements. They have unified their ideological understanding, strengthened their self-consciousness in keeping in unison with the Central Committee in politics and ideological, and basically put a stop to the unhealthy tendencies of bureaucracy and abusing power for personal gains. As a result, the party's style has undergone an obvious change for the better.

GUIZHOU RIBAO ON NEGATING CULTURAL REVOLUTION

HK270421 Guiyang Guizhou Provincial Service in Mandarin 2300 GMT 26 Aug 84

[Report on 27 August GUIZHOU RIBAO commentator's article: "Grasping the Main Topic and Totally Negating the Great Cultural Revolution"]

[Text] The article says: Carrying out education in totally negating the Great Cultural Revolution while conducting party rectification is a major cardinal link for tightly grasping the main topic of changing Guizhou's mediocre status and for promoting the invigoration of the province's economy.

Some comrades may say with regard to negating the Cultural Revolution and changing the mediocre status that the one means looking back and solving the problems left over from history while the other means looking ahead and accomplishing the urgent tasks facing us. So could contradictions arise between the two? The reply is, No. The two should and certainly can be integrated. One can say this: Looking back is for totally negating the Cultural Revolution and summing up the lessons and experiences of history, while looking ahead is for building socialism with Chinese characteristics and changing Guizhou's mediocre status. The two are unified, not opposed to each other. They are unified in the party's general line task, and goal. If we totally negate the Cultural Revolution, we will score still greater success in changing Guizhou's mediocre status.

Hence, carrying out education among the party organizations at all levels in totally negating the Cultural Revolution and bringing everyone's thinking into line with the resolution is the first task in uniting as one to look ahead.

CHONGQING SUBSTITUTES TAXES FOR PROFIT DELIVERIES

HK270906 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 27 Aug 84

[Text] According to SICHUAN RIBAO, the first step in substituting tax payments for profit deliveries on the industry and communications front in Chongqing City has achieved unprecedentedly gratifying results. It has simultaneously raised the gross output, profits, and taxes delivered to the state, and the earnings retained by enterprises. It has also brought about new experiences for the second step in putting this reform into practice.

In line with the arrangements made by the provincial government, in 1980 Chongqing started carrying out various experiments in switching from profit delivery to tax payments in selected units, and last May the city was the first in the country to carry out the reform on a large scale in order to properly handle the relationship between the state and enterprises in financial distribution. According to statistics, in 1983, 253 industrial enterprises in the city increased output value by 13.47 percent; profits by 20.4 percent; taxes delivered to the state by 21.4 percent; and the earnings retained by enterprises 24.46 percent compared with 1982, the year before the reform was implemented.

Meanwhile, there has also been a steady increase in revenues for the city's government as a result of the reform, which ensures a rise in state revenues and at the same time gives the enterprises a certain amount of financial resources. For example, the Chongqing special steel plant, which had misgivings about the reform before it was put into practice, earned profits of more than 50 million yuan in 1983, an increase of 51.8 percent over the previous year, after it tapped all available potential and established the responsibility system at all levels. The Dongshan chemical plant in Chongqing City, which suffered losses year in year out before the switch from profit delivery to tax payments, achieved heartening results in expansion of the factory. The taxes or profits delivered by the factory to the state increased by 30 percent in 1983 after it updated equipment with its retained earnings for the expansion of production.

[Word indistinct] Chongqing City is now giving wide publicity to the second step of the reform, namely, having every enterprise pay taxes to the state instead of delivering profits.

BEIJING CPC HOLDS ORGANIZATIONAL WORK MEETING

OW270545 Beijing XINHUA Domestic Service in Chinese 1221 GMT 24 Aug 84

[By reporter Xu Guangyao]

[Text] Beijing, 24 Aug (XINHUA) -- An organizational work meeting of the Beijing Municipal CPC Committee which ended on 24 August called on organizations at various levels to further emancipate the mind and quicken the pace of readjusting the leading body and building the third echelon.

In recent years, leading bodies at various levels in Beijing Municipality have achieved some progress readjusting the average age and education of their members. However, the average age of the members of some leading bodies remains relatively high and their educational level is still low. Among leading cadres of departments, committees, and offices at municipal level and districts and counties under the municipality, 138 will be at least 60 years old at the end of next year, constituting 36.5 percent of the total number of the cadres. Of these cadres, 53 and No 1 party or administrative leaders, 24.2 percent of the total number. As for educational level, 20.9 percent did not go beyond junior middle school. Among the 169 leading bodies of the departments, committees, offices, districts, and counties of the municipality readjusted last year, nearly half have not yet built a third echelon.

The meeting called on organizations at various levels to readjust the leading bodies of some departments, committees, offices, districts, and counties before the end of next year whenever conditions are ripe. No 1 persons newly admitted to the leading bodies should be in their 40's, and not older than 55. In educational background, they should in general have college educations, or at least senior middle school or secondary specialized school educations. The leading bodies that have not yet built a third echelon should start to do so before the end of next year. It is necessary to formulate clear-cut orientation and concrete measures for training reserve cadres to accelerate the growth of talented personnel to maturity.

The meeting also proposed specific requirements for supervising cadres and training young and middle-aged cadres after supervisory power is delegated to lower levels.

HEBEI CPC HELPS INTELLECTUALS JOIN PARTY

HK241448 Beijing GUANGMING RIBAO in Chinese 17 Aug 84 p 1

[Letter to the editor from the Organization Department of the Hebei Provincial CPC Committee: "The Organization Department of the Hebei Provincial CPC Committee Is Seriously Solving Difficulties Faced by Intellectuals in Joining the Party"]

[Text] Editor's note: In solving the difficulties faced by intellectuals in joining the party, it will not do just to shout slogans or engage in idle theorizing. It is necessary to solve the difficulties faced by intellectuals in a practical manner and to regard this problem as a matter of great urgency, as the Organization Department of the Hebei Provincial CPC Committee has done. After this newspaper published on 10 July Hebei's "Seven Examples of Difficulties Intellectuals Face in Joining the Party," the Organization Department started solving the difficulties intellectuals faced in joining the party. It took the department only about a month to solve this longstanding problem. Its spirit of being fully responsible in work and its work style of solving problems with efficiency and quality are worth emulating. [end editor's note]

Comrade editor:

The "Seven Examples of Difficulties Intellectuals Face in Joining the Party" carried by your esteemed newspaper on its front page on 10 July were typical examples our department cited in solving the difficulties faced by intellectuals in joining the party. The publication of the article provided firm support and great impetus for our work.

The difficulties faced by intellectuals in joining the party resulted from the "leftist" influence in the leading bodies of party committees, from a prejudice against intellectuals, and from the selfish ideas of some leaders afraid of being replaced by intellectuals once the latter join the party. In view of the situation, instead of issuing general calls, dispatching documents, and holding meetings as we had done before, we adopted the method of leaders taking the lead in investigation and study to have a good idea of how things stand. On this basis, we helped leading bodies eradicate "leftist" pernicious influence and educated basic-level leading bodies to straighten out their ideological understanding and to consciously do the work of recruiting party members from among intellectuals. We adopted organizational measures against those who refused to carry out instructions. With the exception of the problem of Ma Jianlong, chief and assistant professor of the scientific research section of the Huabei Electric Power College, who has been transferred to Beijing, six of the seven cases of difficulties have been solved.

Wu Wanguan, expert in animal husbandry and deputy chief of the Wenan County Animal Husbandry Bureau, had acquired the necessary requirements for party membership. But out of selfish motives, the bureau chief and party branch secretary prevented Wu from joining the party. The publication of this example by your esteemed newspaper aroused great repercussions. Under the guidance of the county CPC Committee, the bureau chief came to understand his erroneous ideas. On 24 July, Comrade Wu Wanguan's problem of joining the party was solved.

Wang Yuzhu, engineer and workshop director of the Shijiazhuang No 6 Cotton Mill, was mistakenly identified as a rightist in 1957. His rightist problem was corrected after the 3d Plenary Session of the 11th CPC Central Committee, and he thanked the party for this from the bottom of his heart. He worked hard and applied for party membership in 1982. However, his application was not approved. After your esteemed newspaper published this example, the CPC committees of the city textile industrial company and the cotton mill began to pay attention to this problem. The secretaries of the company and the cotton mill unified the ideological understanding of party members and leaders. On 7 August, a general party branch meeting unanimously approved Comrade Wang Yuzhu's application for party membership. In March this year, the party membership problem of Liu Liangyun, lecturer and director of the basic-level knowledge department of the Zhangjiakou Medical College, was also solved.

Of the 63 nonparty intellectuals in the Chengde Prefectural Animal Husbandry Bureau, 23 applied for party membership. From 1979 to March this year, not one was admitted into the party. There were 47 teachers in the Zhengding County No 1 Middle School, but only three of them were party members. Nine teachers had applied for party membership several times, but no leader cared for their application. In a recent structural reform, the two units readjusted their leading bodies, and not long ago they respectively recruited two and three fine intellectuals into the party. The former leading body of the Yutian County Hospital hindered intellectuals from joining the party. In the 7 and 1/2 years from the downfall of the "gang of four" to May this year, the hospital recruited only one party member from among the hospital's intellectuals. Not long ago the county CPC Committee made up its mind to readjust the leading body of the hospital. In a month's time, the party membership problem of three fine intellectuals including Wang Guilan, head nurse and anesthetist of the hospital, was solved.

Although the seven examples of difficulties faced by intellectuals in joining the party have been initially solved, "leftist" pernicious influence in these units has not been thoroughly eradicated, and there is still room for improvement.

I. 28 Aug 84

R 3

PRC REGIONAL AFFAIRS
NORTH REGION

In our province there are more examples of difficulties faced by intellectuals in joining the party. We are determined to follow the requirements set by the CPC Central Committee and the provincial CPC Committee and to continue to adopt effective measures to basically solve, within 1 to 2 years, the difficulties facing intellectuals throughout the province in joining the party.

[Signed] The Organization Department of the Hebei Provincial Committee, 6 August 1984

HEBEI'S XING CHONGZHI ON CULTURAL REVOLUTION

HK241505 Shijiazhuang HEBEI RIBAO in Chinese 10 Aug 84 pp 1, 4

["Excerpts" of speech by Xing Chongzhi: "Carry Out Intensive Education on Thoroughly Negating the 'Cultural Revolution'"]

[Text] On listening to the speeches of the seven comrades, I felt that they were all very good. I would like to speak on three ideas:

I. We Must Do Well in Education on Thoroughly Negating the "Cultural Revolution"

The "Cultural Revolution" has been over for 8 years and it is already 6 years since the 3d Plenary Session of the 11th CPC Central Committee. It is 3 years since the resolution of the sixth plenary session, and party rectification has been going on for close to 9 months. Why do we still want to carry out education in thoroughly negating the "Cultural Revolution?" It is because, even now, there are still some party members who cannot thoroughly negate the "Cultural Revolution." Their pernicious influence is still far from eliminated, especially in the cases of "leftist" influence and factionalism. This is a persistent ailment which has still not yet been weeded out and eliminated. Even now, some comrades continue to use "Cultural Revolution" ideology and viewpoints when looking at problems and generally think, when looking at the two factions, that one can find a somewhat correct or relatively correct faction. The two factions during the "Cultural Revolution" were both products of "leftist" mistakes. Their theoretical basis for rebellion, aims, and methods were the same. The difference lay in that they were in power during different periods, that one made many mistakes, the other few, that one made serious mistakes, the other not so serious mistakes, and that one gained understanding early, and the other late. But there was no correct faction. The specific historical conditions of the "Cultural Revolution" decreed that the two factions were both inevitably wrong. There simply could not have been a correct faction. But there are some units and comrades who, even now, cannot understand the question of the "Cultural Revolution" in accordance with the spirit of the third and sixth plenary sessions. They still argue about the relative superiorities, the rights and wrongs, and about what was correct, and thereby interfere with and obstruct the smooth progress of the four modernizations. This type of situation urgently needs to be resolved.

Thoroughly negating the "Cultural Revolution" means thoroughly bringing order out of chaos in the ideological, political, and organizational lines. If the "Cultural Revolution" is not thoroughly negated and "leftist" influence is not thoroughly expunged, then it will not be possible to fully implement the line of the 3d Plenary Session of the 11th CPC Central Committee. If we do not thoroughly negate the "Cultural Revolution" we will not be able to maintain unanimity, in ideological and political terms, with the CPC Central Committee. If we do not thoroughly negate the "Cultural Revolution" and conscientiously weed out "leftist" influence, we will be unable to eradicate factionalism, enhance party spirit, unify ideology, or do a good job of uniting.

We will not be able to thoroughly weed out "the people of three categories," or dispel the legacy of the "Cultural Revolution" and achieve a basic turn for the better in the party work style. If we do not thoroughly negate the "Cultural Revolution," we will be unable to build well the "third echelon," or deploy it well for the leading groups. If we do not thoroughly negate the "Cultural Revolution," we will be unable to smoothly implement the reform of the economic system or establish new prospects for the four modernizations. If we do not thoroughly negate the "Cultural Revolution," we will be unable to complete the task of a comprehensive party rectification of a high standard which would make our party the strong nucleus leading the construction of socialist modernization. A leading comrade of the central authorities, during his recent inspection of Hebei, pointed out the situation in Hebei is good and its conditions are good. The steps forward must be taken with longer strides. If we want to take bigger steps each year, striding further each year to open up new prospects, then we must strike well with the weapon of thorough negation of the "Cultural Revolution." This is an important matter of basic and overall significance. All units must use great efforts to grasp this matter firmly and well. Whether they are leading cadres or ordinary party members, all must negate the "Cultural Revolution" in theory and practice, in principle and concretely, in ideology and sentiments, and in words and actions.

II. In Thoroughly Negating the "Cultural Revolution" We Must Carry Out the "Six Clarifications"

First, we must clarify things theoretically. If we do not clarify things theoretically as to why we say the "Cultural Revolution" was completely erroneous, it will be very difficult to thoroughly negate it in practice. We must, through study and education, cause the vast numbers of party members to recognize that the main argument which formed the basis of the "Cultural Revolution," the "theory of continuing revolution under the dictatorship of the proletariat" is totally erroneous. The use of this theory as a guide in appraising the situation, in determining the nature and object of struggle and the nature of struggle to be adopted, all departs basically from the essential principles of Marxism-Leninism and from the scientific system of Mao Zedong Thought. This "Cultural Revolution," carried out under the guidance of erroneous theory, could only be a spell of internal disorder. It "did not constitute a revolution or social progress in any sense, nor could it possibly have done so."

Second, we must clearly state the harm caused by the "Cultural Revolution." We must, in relation to the reality of the whole nation and entire province and the reality of basic units and individuals, lay bare the serious damage caused by the "Cultural Revolution" in the political, economic, ideological, and cultural spheres. Through a large number of startling facts, everyone will fully recognize that the "Cultural Revolution" was a period of great calamity and internal disorder which brought great suffering to the party, the state, and the people of all nationalities.

Third, we must clarify muddled and erroneous viewpoints. At present, among some of our comrades, some muddled and erroneous understandings of the "Cultural Revolution" exist. Some believe that thoroughly negating the "Cultural Revolution" runs counter to the viewpoint that one divides into two. Some say things like "suffering oppression naturally means being correct and naturally means being in accord with the CPC Central Committee." Some just stress specific historical conditions and cannot purge the "leftist" influences in a subjective and conscientious manner. Nor can they sum up their experiences and lessons.

Some adopt a pose of correctness, by taking the correctness of individual actions to indicate overall and consistent correctness. Some, by every possible means, defend their own mistaken words and actions during the "Cultural Revolution" and say that "rebellious and taking power was an action in response to a call, an action under orders." They say: "Party members were the leaders of the rebel faction because their class origin was good. As they were chosen by the masses, they had to do it;" "Our organs which rebelled handled matters in accordance with policy;" "Those who participated in searches of houses and confiscation of property were appointed to do this by the leaders;" "There were good reasons for the criticism and denunciation of veteran cadres;" and so on. All these muddled, erroneous viewpoints must be clarified, and our ideological understanding must be unified according to the spirit of the decision of the sixth plenary session.

Fourth, we must clarify the experiences and lessons. Every comrade must, through distinguishing right from wrong in history, sum up his own major experiences and lessons of the "Cultural Revolution." Thereby he will raise his consciousness in maintaining political unanimity with the CPC Central Committee and better implement the line, principles, and policies of the party since its third plenary session. It is especially important that those comrades who committed this or that mistake during the "Cultural Revolution," including those who made serious mistakes, must more energetically, and with greater initiative, examine and recognize their mistakes and draw experience and lessons from them.

Fifth, we must clear up the factional remnants and vestiges of the "Cultural Revolution." We must bring about basic changes in some units where, to differing degrees, the following unwholesome work styles exist: "No apparent hindrances but reefs lie hidden;" apparent harmony but actual disagreement; arguments as to who is right and who is wrong; the abnormal condition of people being classified into groups with no organization or law; requesting official posts and feeling disgruntled when these are not received; and grumbling to the degree that it affects work. Further correcting the relationships between the leaders and the masses, individuals and organs, the lower levels and upper levels and the parts and the whole, as well as between departments and comrades will create a spiritual style which takes the interests of the whole into account, has the cardinal principles in mind, stresses party spirit and unity, inspires the spirit, works hard, goes all out in striving forward, and serves the people wholeheartedly.

ZHOU HUI ATTENDS NEI MONGGOL MILITIA EVENTS

SK280711 Hohhot Nei Monggol Regional Service in Mandarin 2300 GMT 27 Aug 84

[Text] From 20 to 25 August, the Nei Monggol Regional Military District held on-the-spot meetings in Baotou and Hohhot Cities on the training in militia mortar [di pao] and anti-chemical warfare.

Attending the meetings were Zhou Hui, first secretary of the regional CPC Committee and the first political commissar of the Nei Monggol Regional Military District; Kang Lin, adviser to the Beijing PLA units; and leading personnel and representatives from the organs of the PLA General Departments the Beijing PLA units, the PLA Beijing Garrison, the PLA Tianjin Garrison, and from the Hebei and Shanxi Provincial Military Districts. Also attending the meetings were Cai Ying, commander of the Nei Monggol Regional Military District; Li Xigeng, political commissar of the regional Military District; and (Yang Jicai), deputy commander of the regional Military District.

At the meetings, participants heard the reports given by the Baotou City Military Subdistrict, the Baotou City's suburbs, and the Armed Forces Department of Tumd Right Banner in regard to the situation prevailing in building militia mortar units as well as the report given by the commander of the mechanic and artillery regiment under the Hohhot City Military Subdistrict in regard to the situation prevailing in building militia antichemical units. They also viewed the artillery units' war exercise and the demonstration of antichemical operations and visited the exhibit on the transformation results from militia training equipment.

Comrade Kang Lin, adviser to the Beijing PLA units, highly praised the militia work done by the Nei Monggol Regional Military District. Comrade Zhou Hui delivered speeches at the meetings, in which he extended congratulations on the success of the meetings and urged comrades who had scored marked achievements in the militia work to guard against arrogance and rashness and to make sustained efforts to push the regional militia work to a new level.

Cai Ying, Li Xigeng, and (Yang Jicai) also delivered speeches at the meetings.

SHANXI'S LI LIGONG SEES BEIJING PLA TROUPE PERFORM

SK280717 Taiyuan SHANXI RIBAO in Chinese 11 Aug 84 p 1

[Excerpts] On the evening of 9 August, the Hubin meeting hall in Taiyuan had a full house. Thousands of people watched the first performance of the comrades-in-arms song and dance troupe from the Political Department of the Beijing Military Region.

At the invitation of the Shanxi Provincial Government, the provincial Military Region and the PLA units stationed in Shanxi, the troupe visited Taiyuan to stage performances.

Watching the performance were some party, government and Army leading comrades, including Li Ligong, Wang Senhao, Wang Jiangong, Zhang Guangyou and Xu Gongzhen. After the performance, they also went on stage to meet with all of the performers. The troupe arrived in Taiyuan on the morning of 9 August.

REPORTS DESCRIBE FLOODING IN HEILONGJIANG

Heilong Jiang's Peak Falls

SK270615 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 26 Aug 84

[Excerpt] At 0800 this morning, the water level of the Janyin section of the Heilong Jiang fell to 99.12 meters, a decrease of 1.35 meters in all compared to that of 23 August. The water accumulated in the Jiayin County seat is expected to be drained off in 1 or 2 days.

Songhua Jiang Level Rises

SK280709 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 27 Aug 84

[Text] The water level of the Harbin section of the Songhua Jiang reached the warning margin of 117.8 meters at 2100 on 26 August. At 1400 on 27 August, the water level reached 117.9 meters, exceeding the warning water level by 0.1 meter.

According to an analysis made by the provincial Flood Prevention Department, the water level of the Songhua Jiang is slowly rising.

HEILONGJIANG PEOPLE'S CONGRESS MEETING ENDS

SK280725 Harbin Heilongjinag Provincial Service in Mandarin 1000 GMT 27 Aug 84

[Text] The ninth Standing Committee meeting of the sixth provincial People's Congress successfully ended this afternoon at the Beifang Hall. Lu Guang, vice chairman of the Standing Committee of the provincial People's Congress, chaired the meeting.

The meeting examined and adopted the Heilongjiang provincial regulations on grassland management, the regulations on some questions concerning the formulation of local laws, Heilongjiang provincial provisional regulations on letters and visits from the masses, and cadre personnel changes.

Attending the meeting were Zhao Dezun, chairman of the Standing Committee of the provincial People's Congress; and Wei Zhimin, Wang Jinling, Liu Huixian, Wang Zhaozhi and Wang Jun, vice chairmen of the Standing Committee of the provincial People's Congress. Attending the meeting as observers were He Shoulun, vice governor; Zhang Li, president of the provincial Higher People's Court, Yu Jian, chief procurator of the provincial People's Procuratorate; responsible persons of offices of the provincial People's Congress, the provincial government and the prefectural people's congresses, and responsible persons of relevant city and county people's congresses.

PANAMANIAN VICE PRESIDENT-ELECT ARRIVES 27 AUG

OW271038 Taipei CNA in English 0934 GMT 27 Aug 84

[Text] Taipei, Aug 27 (CNA) -- Eric Arturo Delvalle, first vice president-elect of the Republic of Panama, and Mrs. Delvalle arrived here last night for a six-day visit.

The Delvalle couple were accompanied by Jose Bernardo Cardenas de Icaza, first vice chairman of the Republic Party of Panama, and his wife. The Panamanian dignitaries were greeted by Vice President Lee Teng-hui and Foreign Minister Chu Fu-sung at the Chiang Kai-shek International Airport. While here, the visitors will call on Vice President Lee, Premier Yu Kuo-hwa and other government leaders and visit economic and cultural establishments of the Republic of China.

Meets With Taiwan Ministers

OW280255 Taipei CNA in English 0232 GMT 28 Aug 84

[Text] Taipei, Aug 27 (CNA) -- Eric Arturo Del Valle, first vice president-elect of the Republic of Panama, said Monday that his country welcomes Chinese business and industry to make investments in Panama.

Del Valle met with Foreign Minister Chu Fu-sung and Economics Minister Hsu Li-teh to discuss ways to promote relations and cooperation between the Republic of China and Panama. He told minister Hsu, in particular, that Chinese investors may set up plants or other business establishments in Panama under the advantageous "Caribbean Basin Initiatives" of the United States.

Hsu said that the ROC Government is very much interested in the project and a special mission consisting of government officials will visit the Caribbean Basin countries and Central America in the near future.

Del Valle and his wife flew into Taipei Sunday evening for a six-day visit. The people will call on Vice President Lee Teng-hui and attend a banquet given by Vice President Lee Tuesday evening.

RELATIONS WITH ASEAN COUNTRIES SAID TO IMPROVE

OW271058 Taipei CNA in English 0950 GMT 27 Aug 84

[Text] Taipei, Aug 27 (CNA) -- The Republic of China has no formal diplomatic relations with any of the ASEAN countries, but its substantive ties with them are getting warmer, diplomatic observers reported.

The Philippine Government has offered diplomatic privileges to Chinese representatives assigned to the Pacific Economic and Cultural Center in Manila, an unofficial representation of the Republic of China in Manila. The Far East Trading and Tourism Center in Kuala Lumpur has been given permission by the Malaysian Government to enlarge its economic section. The Indonesian Chamber of Commerce and Industry has added a Republic of China committee with the encouragement of the Indonesian Government. All these are eloquent indications that the Republic of China has succeeded in promoting substantive relations with these countries, diplomatic observers said. Relations with Thailand and Singapore, though unofficial, have always been cordial, they continued. The nation's diplomats are trying to cultivate better ties with Brunei, a new member in the ASEAN.

Observers said the fact that the Manila government has offered diplomatic privileges to an unofficial Chinese representative indicates that the relations once strained over the Aquino affair have healed. In addition, to ASEAN countries, nations like Sri Lanka and India are granting visa easier to holders of the Republic of China passports, observers added.

TAIWANESE CENTRAL, SOUTH AMERICAN ENVOYS TO MEET

OW240339 Taipei CNA in English 0304 GMT 24 Aug 84

[Text] Taipei, Aug. 23 (CNA) -- The Ministry of Foreign Affairs has decided to hold the Central and South American mission chiefs conference on Sept. 6, 1984 in Santo Domingo, capital of the Dominican Republic.

How to strengthen the relations between this country and the Central and South American countries through the effective utilization of Caribbean Basin initiatives proposed by President Ronald Reagan of the United States will be one of the topics to be discussed in the conference, it was learned.

An official with the ministry said that besides encouraging domestic enterprises to invest in Caribbean Basin countries, ways to strengthen the industrial cooperation with and studies on political situations of the Central and South American countries will be the other topics to be discussed at the conference. Fifteen Chinese mission heads and seven representatives of non-diplomatic relations in that area will attend the meeting.

Foreign Minister Chu Fu-Sung will personally preside over the meeting with officials from the Ministry of Economic Affairs and the government information office participating.

TAIPEI SCIENTISTS INVENT INFRARED DEVICE

OW280009 Taipei Domestic Service in Mandarin 2300 GMT 19 Aug 84

[Text] Taipei -- A group of electro-optical research scientists led by anti-communist scholar Lu Mao-hung has succeeded in developing an infrared device to detect external defects in steel billets. This device has proven that the method of using infrared rays to detect defects is feasible and effective. It can also be applied in national defense, medicine, surveying, and various industries. This achievement is of great significance in actively developing electro-optics and other branches of high technology in the country.

Freedom-seeker Lu Mao-hung was doing research work at the world-famous electro-optics research institute of the University of Arizona in the United States more than two years ago. He chose to flee to freedom and came to the motherland. He is now teaching at the Electro-Optics Research Institute of the National Chiao Tung University.

NEW EXAMINATION YUAN SECRETARY GENERAL APPOINTED

OW280534 Taipei Domestic Service in Mandarin 2300 GMT 25 Aug 84

[Text] The President has issued an order to approve the resignation request of Liu Hsien-yuan, secretary general of the Examination Yuan, and to appoint Mr Wang Tseng-tsai as the new secretary general of the Examination Yuan.

Mr Wang Tseng-tsai, born in 1935, was a native of Shantung. He received his doctor's degree from Cambridge University in England. He was a lecturer, associate professor, and professor of the Taiwan University, vice chairman of the Chinese Kuomintang Central Council on Youth Work, and director of the History Institute of Taiwan University. He is currently head of the College of Liberal Arts at Taiwan University.

SINO-BRITISH WORKING GROUP ON HONG KONG EXPANDS

HK280317 Hong Kong SOUTH CHINA MORNING POST in English 28 Aug 84 pp 1, 14

[By Frank Choi]

[Text] Peking, Aug 27 -- An ad hoc sub-group has been set up within the joint working group to speed up study of the large volume of documents submitted by the British and Chinese teams negotiating on Hong Kong's future. The size of the working group has been increased to nine on each side, with the British co-opting three new members and the Chinese two.

Although leaders from both teams stressed that it was always intended to keep the working group flexible, the general feeling is that the final draft of next month's agreement is approaching a final stage.

The three new members in the British side are Mr. J.F. Mathews from the Legal Department, Mr. Peter Thompson from the British Embassy in Peking and Mr. E.J. Davison from the Registrar-General's Department.

The leader of the Chinese team, Mr. Ke Zaishuo, told reporters today that the final draft had not been completed. "We are still negotiating, and the negotiation is aimed to finalize the draft agreement," he said. Mr. Ke said the working group has been expanded to help in drafting the agreement and to get the work done as soon as possible.

There had been speculation on Saturday when the working group brought new members to its meeting, which was split into two sub-group sessions. And it was confirmed today by both sides that another group within the working group had been established to further speed up the work.

The three new British members and the two new Chinese members, Mr. Lu Ping and Mr. Ye Shouzheng, were all working in a separate room from the original group.

Mr. Davison attended Saturday's meeting, but was absent today. The general feeling was that the original group will continue to outline the broad principles from the documents submitted by both sides while the ad hoc group will concentrate on outstanding technical problems. Such a process would help to speed up the drafting process, a similar principle to that behind the setting up of a working group to provide background back-up to the negotiation teams. It is expected that the original group will still be headed by Dr. David Wilson and Mr. Ke, while Mr. Thompson and Mr. Lu will head the ad hoc group.

A member of the ad hoc group, Mr. Robin McLaren, confirmed that they had set up another group to consider problems they have encountered. "It is formed as part of the original conception to have a working group set up to consider documents submitted by the two sides. What we are doing is simply to get further work done. This ad hoc group, if you can call it that, will include experts to look at certain of the questions and the objective is simply to get all the work done in time," he said.

Mr. McLaren said the setting up of this ad hoc group would undoubtedly help to speed up work but he added that it was impossible to say when the group would finish its work and disband. "Their existence (both the original and the ad hoc group) depends on the time needed to look through all the documents," he said.

He said the membership of the ad hoc group was flexible. "We will have some people for some days and other people for other days; it will depend on the work we are dealing with and the requirements of the work," he said.

Speaking to reporters after today's working group meeting, Dr Wilson said the setting up of the ad hoc group was another example of the flexibility of the original working group.

He stressed that there was no political significance in the arrangement. "We are simply trying to get through our work as quickly as we can. It needs to be stressed that the ad hoc group is not an extension of the plenary session, it is for background work," he said.

Dr Wilson said there might be more new faces in the working group or the ad hoc group depending on need. "We will bring in people to help in the future as appropriate to help with the work we are doing," he said.

Mr Ke commented that this morning's meeting went smoothly and said he expected that everything would be done by next month.

Asked whether he was a new co-opted member of the working group, Mr Lu said he was coming to listen to the meeting. He suggested that there were some problems in the drafting process which needed expert help. He said the working group meetings were good chances for experts from both sides to meet and exchange views.

SPOKESMAN ACKNOWLEDGES HONG KONG CAPITAL OUTFLOW

HK230549 Hong Kong SOUTH CHINA MORNING POST in English 23 Aug 84 Business News Supplement p 1

[Text] Capital has been increasingly flowing out of Hong Kong, a senior Government economic spokesman conceded yesterday. His remarks follow frequent official statements denying rumours of capital flight in the face of worries over the territory's future.

The Deputy Secretary for Monetary Affairs, Mr Anthony Latter, told a Hong Kong Management Association meeting that "the overall capital account has not recently been so strong as before." He added that there is "reasonably clear evidence of increased outflows from Hong Kong" and pointed to the apparent tendency for exporters to retain their earnings abroad and the growth of foreign currency deposits with local banks and deposit-taking companies.

But Mr Latter stressed that the outflow is countered by steadily increasing overseas investment in commerce and industry here, as well as recent improvements in the current account.

"Those who claim there is a flight of capital from Hong Kong of desperate and severely damaging proportions...are guilty of overlooking the facts of our recent economic performance," he said.

In fact, Hong Kong's total trade in goods and services may be in balance for the first time in seven years, Mr Latter said.

The recent export surge which has lifted the volume of domestic exports by 35 per cent in the past two years and shrunk the visible trade gap to five per cent of the import bill has gone a long way towards improving the external trade picture.

When the trade in services, which is traditionally in Hong Kong's favour by a substantial margin, is taken into the picture, the total may well be in balance this year, Mr Latter said, adding that the deficit in 1982 was \$7 billion.

The local economy has performed well in other areas also, Mr Latte said, although financial and property markets have been affected by the uncertainty over the future and a wait-and-see attitude plagues industrial investment.

I. 28 Aug 84

W 3

CHINA
HONG KONG MEDIA ON CHINA

Fixed investment has dropped from about 32 per cent of gross domestic product to between 27 and 28 per cent this year, he said, although this is still a relatively high figure by global standards.

In addition, much of the decline has been in the property sector and investment in industrial plant and machinery this year "will in all probability turn out to be higher in real terms than in 1982," Mr Latter said.

He said overall living standards here have advanced about 10 per cent in the past two years, as measured by growth in per capita GNP in real terms. In the same period unemployment has remained steady and inflation is below the rate prevailing two years ago -- and dropping.

On the other side of the coin, the tradeweighted effective exchange rate index for the Hong Kong dollar stands some 19 per cent lower than two years ago, the Hang Seng Index has declined further and "if there was a suitable summary indicator of the property market I am sure that it would exhibit a substantial setback," Mr Latter said.

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